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COMMERCIAL. No. 2 (1888).

CORRESPONDENCE

RELATIVE TO THE

CONFERENCE ON SUGAR BOUNTIES,

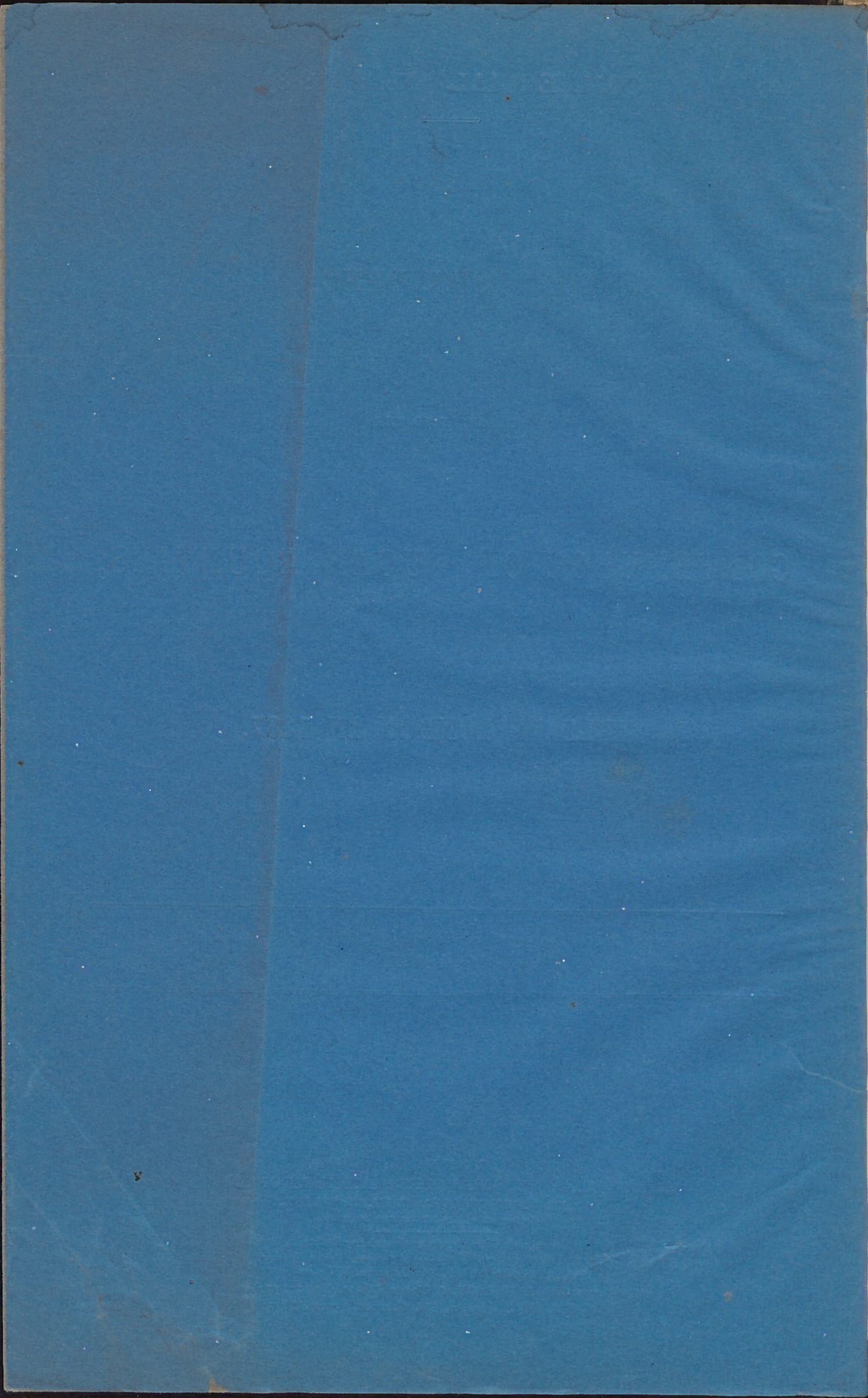
HELD IN LONDON IN 1887.

*Presented to both Houses of Parliament by Command of Her Majesty.
March 1888.*

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TABLE OF CONTENTS

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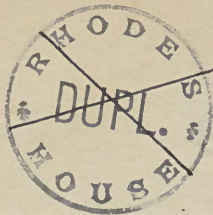


TABLE OF CONTENTS.

No.	Name.		Date.	SUBJECT.	Page
1	Colonial Office	Sept. 25, 1886	Could the more important countries be sounded as to holding a Conference with a view to improving the position of the sugar industries?	1
2	To Sir E. Malet .. ..	..	Oct. 4,	To sound German Government in sense of No. 1	2
3	To Colonial Office .. ..	..	4,	Inform of No. 2	2
4	To Board of Trade .. ..	..	4,	Sends Nos. 1, 2, and 3	2
5	Workmen's Anti-Bounty Association .. ..	..	11,	Urges calling of a Conference in London ..	3
6	To Workmen's Anti-Bounty Association .. ..	..	15,	Acknowledges No. 5	3
7	To Board of Trade .. ..	..	15,	Sends No. 5	3
8	Colonial Office .. ..	..	Nov. 11,	The West India Committee have been informed that Conference will be under the Foreign Office	4
9	Sugar Refiners' Committee .. ..	..	12,	M. Wilson's account of the amount of the French bounties	4
10	Board of Trade .. ..	..	12,	Dock Labourers' Association wish to know how the negotiations for a Conference are progressing	6
11	To Sir E. Malet .. ..	..	19,	Has German Government been sounded as to a Conference?	7
12	To Board of Trade .. ..	..	19,	No negotiations have yet commenced. Inform of No. 11. Sends Nos. 8 and 9	7
13	To Sugar Refiners' Committee .. ..	..	19,	No. 11 has been referred to Board of Trade ..	7
14	Colonial Office .. ..	..	18,	West India Committee would be very glad for any news as to assembling of Conference ..	8
15	To Colonial Office .. ..	..	24,	Sends Nos. 10 and 12	8
16	Sir E. Malet .. ..	..	23,	German Government in communication with that of Prussia as to question of a Conference	8
17	West India Committee .. ..	..	23,	Calls attention to amount of French bounties as calculated by M. Wilson. French Government should be sounded as to a Conference	9
18	To Board of Trade .. ..	..	29,	Sends No. 17. What as to sounding French Government with regard to a Conference? ..	10
19	To West India Committee .. ..	..	29,	Inform of No. 18	10
20	To Board of Trade and Colonial Office .. ..	..	30,	Sends No. 16	10
21	Mr. Scott .. ..	..	Dec. 3,	German Government would consider question of a Conference, but want further details as to its object	10
22	To Board of Trade .. ..	..	11,	Sends No. 21	11
23	To Colonial Office .. ..	..	11,	Inform of No. 21	11
24	Colonial Office .. ..	..	21,	French Government should be sounded as to a Conference	11
25	To Viscount Lyons .. ..	..	28,	To sound French Government as to a Conference	12
26	To Board of Trade .. ..	..	28,	Sends Nos. 24 and 25	12
27	To Colonial Office .. ..	..	28,	Sends No. 25	12
28	Viscount Lyons .. ..	..	Jan. 5, 1887	The French Government will consider the proposal to summon a Conference	12
29	To Board of Trade and Colonial Office .. ..	..	7,	Sends No. 28	13
30	Colonial Office .. ..	..	7,	Despatch from Guiana urging a Conference ..	13
31	Viscount Lyons .. ..	..	20,	French Government have come to no decision yet as to a Conference	14
32	To Board of Trade and Colonial Office .. ..	..	25,	Sends No. 31	14
33	Colonial Office .. ..	..	26,	Petition from Guiana urging a Conference ..	14
34	To Board of Trade .. ..	..	Feb. 1,	Sends No. 33	15
35	To Colonial Office .. ..	..	2,	Inform of No. 34	15
36	Board of Trade .. ..	..	7,	Letter from Dock Labourers' Council asking for information as to the Conference ..	15
37	To Board of Trade .. ..	..	12,	Dock Labourers' Council should be informed of attitude of Germany and France ..	16

TABLE OF CONTENTS.

iii

No.	Name.		Date.	SUBJECT.	Page
38	Viscount Lyons		Feb. 16, 1887	French Government still undecided as to a Conference	16
39	To Colonial Office and Board of Trade		18,	Sends No. 38	16
40	West India Committee		Mar. 2,	Public opinion in Germany and in Austria favourable to abolition of the bounties ..	17
41	To Viscount Lyons (also to Sir E. Malet)		7,	Sends No. 40. What are intentions of France and Germany?	17
42	To Sir A. Paget		7,	To sound Austria-Hungary as to their joining a Conference	18
43	To West India Committee		7,	They will hear further when the various Governments have replied	18
44	Viscount Lyons		9,	French Government has not yet come to a decision as to joining the Conference ..	18
45	Colonial Office		9,	Jamaica wishes to enter into a special arrangement with the United States or Canada in case the bounties are not removed ..	19
46	Sir E. Malet	Telegraphic	10,	German Government is awaiting information as to scope of Conference	21
47	To Sir E. Malet		14,	Sends No. 44. It was thought information in No. 40 would decide the German Government	21
48	To Colonial Office		14,	Sends No. 44. Informs of No. 42	21
49	To Board of Trade		14,	Sends No. 44	22
50	Sir A. Paget		16,	Has furnished Austrian Government with a Memorandum as to the proposed Conference	22
51	To Sir A. Paget		21,	Approves No. 40	23
52	To Colonial Office and Board of Trade		21,	Sends No. 40	23
53	Viscount Lyons		29,	French Government would come into any arrangement provided all the Powers interested did so too	23
54	Sir E. Malet		29,	New German Bill on sugar. It will diminish the bounties	24
55	To Sir A. Paget		31,	Will Austria-Hungary join in a Conference? ..	25
56	To Colonial Office and Board of Trade		31,	Sends No. 53	25
57	Sir A. Paget		Apr. 3,	Will endeavour to obtain a reply from Austria ..	26
58	" "		4,	Austria cannot answer for a fortnight or three weeks	26
59	To Colonial Office and Board of Trade		7,	Informs of No. 58	26
60	Colonial Office		7,	What will be the next step as to summoning a Conference?	26
61	To Colonial Office		13,	A statement should be prepared showing the scope of the Conference	27
62	Mr. Phipps		24,	Austria will join the Conference, but wishes to know its scope	27
63	To Viscount Lyons (also to Mr. Scott)		28,	A statement of the scope of the Conference will be prepared	28
64	To Colonial Office		28,	Sends No. 62. The statement of the scope of the Conference should now be prepared ..	28
65	To Board of Trade		28,	Sends Nos. 60, 61, and 62. The statement of the scope of the Conference should now be prepared	28
66	Sir E. Malet		May 18,	Detail of new German Sugar Bill	29
67	" "		27,	Introduction of new German Sugar Bill into the Reichstag. Further explanations on it ..	32
68	To Colonial Office		June 2,	Sends No. 67	33
69	Colonial Office		13,	Acknowledges receipt of No. 68	34
70	To Board of Trade		15,	German Government are anxious for information as to scope of Conference	34
71	Sir W. Stuart		19,	Netherlands Government anxious to be consulted as to the proposed Conference ..	34
72	To Board of Trade		22,	Sends No. 71. What answer should be given? ..	35
73	Board of Trade		27,	Suggests answer to No. 71	35
74	To Sir W. Stuart		30,	Sends No. 73 for information of Netherlands Government	36
75	Board of Trade		July 1,	Suggests bases for discussions of Conference ..	36
76	Circular to Her Majesty's Representatives in sugar-producing countries		2,	Invitation to take part in a Conference to discuss the bases laid down in No. 75 ..	36
77	Sir W. Stuart		4,	Has acted on No. 74	37

[193]

α 2

No.	Name.		Date.	SUBJECT.	Page
78	Viscount Lyons		July 8, 1887	Has acted on No. 76	38
79	Mr. Gosselin		8,	Ditto	39
80	Mr. Scott		8,	Ditto	39
81	Sir E. Monson		9,	Ditto	40
82	Sir W. Stuart		10,	Ditto	40
83	To Mr. Scott		13,	Approves No. 80. Date will be fixed later ..	41
84	Mr. Corbett		9,	Has acted on No. 76	41
85	Mr. Petre		14,	Ditto	42
86	Scotch Office		20,	Memorial from Greenock against the bounties ..	42
87	Mr. Scott		22,	New German Sugar Law. Involves refining in bond	43
88	Sir A. Paget		15,	Has acted on No. 76	45
89	Sir L. West		18,	Ditto	45
90	Sir Clare Ford		29,	Ditto. Spain accepts	45
91	Mr. Scott		30,	Germany accepts	46
92	Lord Vivian		30,	Belgium accepts, but cannot refine in bond ..	47
93	To Board of Trade		Aug. 2,	Sends No. 92 and draft of No. 96 for concurrence	48
94	To Board of Trade and Colonial Office		2,	Inform of Governments that have accepted ..	48
95	Board of Trade		4,	Concur in No. 96	48
96	To Lord Vivian		5,	Belgium can of course make necessary reserves ..	49
97	Sir L. West		July 27,	United States' Government must await action of Congress	49
98	Lord Vivian		Aug. 6,	Has acted on No. 96	49
99	Board of Trade		6,	Wish to be informed of what happens ..	50
100	Sir W. Stuart		6,	Netherlands Government accept. Russia should be invited	50
101	To Sir L. West	Telegraphic	9,	Would United States' Government object to Conference being held without them? ..	52
102	To Lord Vivian		9,	Approves No. 98	52
103	To Sir W. Stuart		11,	Russia has been invited	52
104	To Board of Trade and Colonial Office		11,	Sends No. 100	52
105	Sir E. Monson		11,	Denmark accepts	52
106	Sir W. Stuart		12,	Has acted on No. 103	53
107	To Board of Trade and Colonial Office		15,	Sends No. 105	54
108	Sugar Refiners' Committee		,	Wish to be put in communication with British Delegates. Mr. Walpole should be one of them	54
109	To Sugar Refiners' Committee		18,	Suggestion shall be borne in mind	54
110	Sugar Refiners' Committee		18,	Abolition of bounties opposed in France. A countervailing duty may be necessary ..	54
111	Sir A. Paget		18,	Austria-Hungary accepts	57
112	Sir L. West		11,	United States do not object to Conference meeting at once	58
113	Lord Vivian		20,	Belgian Delegates will reserve their liberty of action	58
114	To Sir A. Paget		22,	To thank Austro-Hungarian Government ..	59
115	To Mr. Egerton		22,	When will France answer?	59
116	To Sugar Refiners' Committee		22,	Suggestions in No. 110 will be considered ..	60
117	To Board of Trade and Colonial Office		22,	Sends No. 111	60
118	Mr. J. G. Kennedy		19,	Italy accepts	60
119	Sir D. Cooper		23,	Sends pamphlet on sugar bounties	61
120	Mr. Egerton		24,	French answer not ready yet	63
121	To Lord Vivian		25,	Satisfaction at Belgium accepting	64
122	To Mr. J. G. Kennedy		25,	Satisfaction at Italy accepting	64
123	To Sir D. Cooper		26,	Acknowledges No. 119	64
124	To Sir A. Paget		27,	Inform as to Powers that have accepted ..	64
125	To Mr. Egerton		27,	Conditions under which Belgium has accepted ..	65
126	To Sir D. Cooper		30,	Acknowledges receipt of pamphlets	65
127	Colonial Office		Sept. 1,	West India Committee call attention to state of public opinion in France. Conference need not be delayed on account of France ..	65
128	To Colonial Office		5,	Countries that have accepted	66
129	Mr. de Bunsen		2,	Portugal will not attend Conference	67
130	To Mr. Corbett		7,	Information given to Swedish Minister as to composition of Conference	67
131	To Board of Trade and Colonial Office		8,	Sends No. 129	68
132	M. Catalani		12,	Has been appointed Italian Delegate	68

TABLE OF CONTENTS.

v

No.	Name.		Date.	SUBJECT.	Page
133	Colonial Office		Sept. 14,	West India Committee informed that they will have an opportunity of stating their views ..	68
134	Mr. Egerton		17,	France accepts if the other Powers do ..	69
135	To M. Catalani		20,	Acknowledges No. 132	70
136	Sugar Refiners' Committee		22,	Hope French answer will not be indefinitely waited for	70
137	To Sir R. Morier and Mr. Macdonell	Telegraphic	23,	To obtain answer to invitation	71
138	To Mr. Egerton		23,	To endeavour to obtain definite answer from France	71
139	Sir R. Morier	Telegraphic	24,	Russia accepts	71
140	To Mr. Egerton	Telegraphic	26,	Inform French Government that Russia accepts	71
141	To Sugar Refiners' Committee		27,	Inform of No. 138	71
142	To Board of Trade and Colonial Office		27,	Sends No. 132	72
143	Sir R. Morier		24,	Extends No. 139	72
144	To Board of Trade and Colonial Office		Oct. 1,	Sends No. 143	72
145	Mr. Macdonell	Telegraphic	5,	Brazil accepts	72
146	To Mr. Corbett	Telegraphic	6,	Press for answer to invitation	72
147	Mr. Corbett	Telegraphic	7,	Norway declines. Sweden accepts	73
148	To Mr. Egerton		7,	Inform French Government that Brazil accepts	73
149	" "		7,	Inform French Government that Sweden accepts	73
150	To Board of Trade and Colonial Office		7	Inform that Brazil accepts	73
151	Colonial Office		7,	West India Committee trust French answer will not be waited for indefinitely	73
152	Mr. Corbett		12,	Sweden accepts. Norway declines	74
153	To Mr. Egerton	Telegraphic	24,	Does France accept?	75
154	Mr. Egerton	Telegraphic	24,	France accepts if other Powers do	75
155	Mr. G. Shute		22,	Urges abolition of bounties. It would not damage the jam trade	75
156	Mr. Egerton		25,	France accepts	76
157	Circular to Her Majesty's Representatives		28,	Conference to meet on the 24th November. Requests statement of existing sugar legislation.. ..	77
158	To Mr. Macdonell	Telegraphic	28,	Ditto	78
159	To Sir L. West		28,	Ditto	78
160	To Sir F. Lascelles		28,	To invite Roumania to Conference	78
161	To Board of Trade and Colonial Office		28	Conference to meet on the 24th November	78
162	Lord Vivian		29,	Has acted on No. 157	79
163	Sir E. Monson		31,	Ditto	79
164	Mr. Corbett		31,	Ditto	79
165	Lord Vivian		Nov. 2,	Names of Belgian Delegates	79
166	Sir Clare Ford		Oct. 31,	Has acted on No. 157	80
167	Colonial Office		Nov. 3,	Acknowledges No. 161	80
168	To Count Byland		4,	Conference to meet on the 24th November	81
169	Mr. Phipps		2,	Details of new Austro-Hungarian Sugar Law	81
170	" "		3,	Has acted on No. 157	82
171	Baron Solvyns		3,	Names of Belgian Delegates	82
172	Workmen's Anti-Bounty Association		4,	Wish to be heard at Conference	83
173	Sir Clare Ford	Telegraphic	5,	Spain accepts date	83
174	Sir E. Malet		3,	Has acted on No. 157	83
175	To Mr. Phipps (and others)	Telegraphic	7	Asks if date is accepted	84
176	Sir W. Stuart	Telegraphic	8,	Date accepted	84
177	Sir E. Malet	Telegraphic	8,	Ditto	84
178	To Workmen's Anti-Bounty Association		8,	British Delegates will receive them	84
179	To Baron Solvyns		8,	Acknowledges No. 171	84
180	Sir Clare Ford		5,	Date accepted	85
181	Mr. Corbett		6,	Ditto	85
182	Mr. Egerton		8,	Has pressed for acceptance of date.. ..	86
183	Sir W. Stuart		8,	Date accepted	86
184	Mr. Phipps	Telegraphic	8,	Austro-Hungarian answer will be sent shortly. Name of Brazilian Delegate	86
185	Mr. Macdonell		Oct. 11,	Member of Brazilian Legation will be temporary Delegate	87
186	" "	Telegraphic	Nov. 9,		87

No.	Name.		Date.	SUBJECT.	Page
187	To Baron H. de Worms, Mr. Kennedy, and Mr. Walpole	..	Nov. 9, 1887	Appointment as Delegates ..	87
188	Sir E. Malet	..	8,	Memorandum on German sugar legislation ..	87
189	Sir E. Monson	..	8,	Name of Danish Delegate ..	88
190	Mr. Macdonell	Telegraphic	9,	Financial Commissioner to be temporary Delegate ..	88
191	To Colonial Office and Board of Trade	..	10,	Sends Print ..	88
192	To Treasury	..	10,	For permission for Mr. Walpole to be Delegate ..	89
193	Mr. Phipps	..	8,	Extends No. 184 ..	89
194	Sir W. Stuart	..	10,	Date accepted ..	89
195	Mr. Phipps	Telegraphic	10,	Member of Embassy will represent Austria ..	90
196	To Mr. Phipps	Telegraphic	11,	Urge appointment of Special Delegate to represent Austria ..	90
197	Sir E. Monson	..	10,	Memorandum on Danish sugar legislation ..	90
198	Sir R. Morier	Telegraphic	12,	Name of Russian Delegate ..	91
199	Mr. Phipps	Telegraphic	12,	Austrian Government will endeavour to send Special Delegate ..	91
200	Sir E. Malet	..	8,	Extends No. 177 ..	92
201	Sir F. Lascelles	..	9,	Has invited Roumania ..	92
202	Mr. Phipps	..	10,	Extends No. 195 ..	92
203	Lord Vivian	..	10,	Memorandum on Belgian sugar legislation ..	94
204	Mr. Phipps	..	12,	Austrian opinion on Conference ..	95
205	Sir F. Lascelles	Telegraphic	14,	Roumania will not be represented ..	95
206	Treasury	..	14,	Necessary leave granted to Mr. Walpole ..	96
207	Mr. G. Shute	..	14,	Workmen's Association is preparing documents with regard to bounties ..	96
208	Sir E. Malet	..	14,	Names of German Delegates ..	96
209	Count Károlyi	..	15,	Name of Austro-Hungarian Delegate ..	97
210	To West India Committee	..	16,	Baron H. de Worms will represent Her Majesty's Government and not Board of Trade ..	97
211	To Lord Vivian	..	16,	To thank Belgian Government for information in No. 203 ..	97
212	Mr. Corbett	Telegraphic	16,	Do all Governments accept date ? ..	98
213	To British Delegates	..	17,	Preliminary instructions ..	98
214	To foreign Representatives in London	..	17,	Conference will meet on the 24th November. Names of British Delegates ..	98
215	Colonial Office	..	17,	Disappointment of West India Committee that Colonies are not represented ..	99
216	Baron Solvyns	..	18,	M. de Smet will be Assistant Belgian Delegate	100
217	Count Hatzfeldt	..	16,	Names of German Delegates ..	100
218	Sir W. Stuart	..	17,	Memorandum on Netherlands sugar legislation	100
219	"	..	17,	Names of Netherlands Delegates ..	101
220	Baron Solvyns	..	18,	For Customs facilities for Belgian Delegates ..	102
221	To Mr. Corbett	Telegraphic	18,	Meeting definitively fixed for 24th ..	102
222	To Count Károlyi	..	18,	Acknowledges No. 209 ..	102
223	To Colonial Office	..	18,	Concurs in proposed answer to West India Committee ..	102
224	Mr. Phipps	..	15,	Has thanked Austrian Government for sending Special Delegate ..	103
225	"	..	16,	Memorandum on Austro-Hungarian sugar legislation ..	103
226	Sir F. Lascelles	..	15,	Extends No. 205 ..	105
227	Sir Clare Ford	..	16,	Spanish Delegates not yet named ..	105
228	Mr. Corbett	..	16,	Extends No. 212 ..	106
229	Mr. Egerton	..	18,	Names of French Delegates ..	106
230	Sir J. Savile	..	15,	Memorandum on Italian sugar legislation sent to Italian Delegate ..	107
231	Sir Clare Ford	..	18,	Names of Spanish Delegates ..	107
232	M. de Staal	..	7 (19),	Name of Russian Delegate ..	107
233	M. Waddington	..	19,	Names of French Delegates ..	108
234	To Count Hatzfeldt	..	21,	Acknowledges No. 217 ..	108
235	To Baron Solvyns	..	21,	Acknowledges No. 216 ..	109
236	M. Catalani	..	18,	Acknowledges No. 214 ..	109
237	Baron Penedo	..	21,	Names of Brazilian Delegates ..	109
238	Count Hatzfeldt	..	21,	Another German Delegate appointed ..	110
239	Workmen's Anti-Bounty Association	..	,	Urge abolition of bounties. A countervailing duty would not raise the price ..	110
240	Count Károlyi	..	21,	Count Kuefstein's address ..	111
241	M. Waddington	..	22,	M. Catusse will be one of the French Delegates	112
242	M. de Falbe	..	22,	M. Lange's address ..	112

TABLE OF CONTENTS.

vi

No.	Name.		Date.	SUBJECT.	Page
243	Count Piper		Nov. 22, 1887	M. Dickson's address	112
244	M. Waddington		23,	Definitive list of French Delegates	113
245	To M. Catalani		23,	Acknowledges No. 236	113
246	To M. de Staal		23,	Acknowledges No. 232	114
247	To M. Waddington		23,	Acknowledges No. 244	114
248	To Baron Penedo		23,	Acknowledges No. 237	114
249	To Count Hatzfeldt		23,	Acknowledges No. 238	114
250	To British Delegates		23,	Inform of Secretaries appointed to assist them	114
251	To Earl of Onslow		23,	Appointment as Delegate	115
252	Mr. Corbett		20,	Swedish Delegate has left for London	115
253	Count de Bylandt		23,	Definitive list of Netherlands Delegates	115
254	Earl of Onslow		23,	Accepts appointment as Delegate	116
255	London Trades' Council		23,	Wish to confer with British Delegates	116
256	To British Delegates		24,	Full instructions for their guidance	116
257	To Board of Trade		24,	Mr. Gosse will be attached to the Conference	117
258	Mr. Phipps		20,	Statistics of Austro-Hungarian sugar industry	117
259	To Count Károlyi		25,	Acknowledges No. 240	117
260	To M. de Falbe		25,	Acknowledges No. 242	118
261	To Count Piper		25,	Acknowledges No. 243	118
262	To M. Waddington		25,	Acknowledges No. 241	118
263	"		25,	Acknowledges No. 244	118
264	M. Waddington		24,	Memorandum on French sugar legislation	118
265	To Sir L. West	Telegraphic	29,	Could not member of United States' Legation attend Conference?	119
266	To M. Waddington		29,	Acknowledges No. 264	119
267	Mr. Macdonell		7,	The sugar industry of Brazil	119
268	Board of Trade		Dec. 1,	Sugar bounties and duties in British Colonies	121
269	"		1,	Sugar duties and legislation in foreign countries	122
270	Liverpool Anti-Bounty Association		Nov. 29,	Thanks for summoning Conference	124
271	Birmingham Coopers' Association		Dec. 1,	Urges abolition of bounties	124
272	Board of Trade		2,	Agree to Mr. Gosse being attached to Conference	124
273	To Liverpool Anti-Bounty Association		2,	Acknowledges No. 270	125
274	To the Birmingham Coopers' Association		3,	Acknowledges No. 271	125
275	Sir J. Savile		Nov. 29,	New Italian sugar duties	125
276	Sir L. West	Telegraphic	Dec. 6,	Secretary of United States' Legation will attend Conference informally	127
277	To Mr. Phelps		9,	Who will attend on behalf of United States' Legation?	127
278	Sheffield Trades' Council		7,	Thanks for summoning Conference	127
279	Mr. Phelps		12,	Mr. Henry White will attend Conference on behalf of United States	127
280	Sir R. Morier		8,	Russia will not again grant bounties except in Asiatic trade	128
281	Mr. Phelps		13,	Recent United States' Regulations with regard to sugar	128
282	Mr. Macdonell		Nov. 23,	Extends No. 190	129
283	To Mr. Phelps		Dec. 16,	Thanks for No. 281	129
284	"		16,	Acknowledges No. 279	129
285	To "Sheffield" Trades' Council		17,	Acknowledges No. 278	130
286	Sir L. West		6,	Extends No. 276	130
287	Southport Trades' Council		16,	Thanks for summoning Conference	130
288	British Delegates		22,	Report on the Conference and explanations on draft of Convention	131
289	To Southport Trades' Council		23,	Acknowledges No. 287	133
290	British Delegates		24,	Sends communications received from Associations and individuals as to objects and policy of the Conference. Also records of interviews with Associations, &c.	133
291	To Associations interested in the Sugar question		24,	Sends <i>procès-verbaux</i>	162
292	Memorandum by Mr. A. E. Bateman		26,	Proceeds and cost of Belgian systems	162

No.	Name.		Date.	SUBJECT.	Page
293	To Her Majesty's Consuls	..	Dec. 28, 1887	Sends <i>procès-verbaux</i>	163
294	Sugar Refiners' Committee	..	28,	Thanks for No. 291	163
295	To Her Majesty's Representatives	..	29,	Her Majesty's Government accept draft Convention. Glad to receive proposed Laws at earliest possible date	163
296	Lord Vivian	..	28,	Draft Convention laid before the Senate ..	164
297	To Her Majesty's Representatives	..	30,	Sends No. 288. To call attention to Netherlands proposal regarding surtaxes and Spanish question as to bounties in relation to most-favoured-nation clause	164
298	" "	..	30,	As to inclusion of Colonies in Convention ..	165
299	To Lord Vivian	..	30,	If Belgium cannot adopt system of bond, she should abolish her duties; otherwise she will imperil success of Convention	165
300		..	30,	Sends No. 292	165
301	To "Sir Clare" Ford	..	30,	What is opinion of Spanish Government as to effect of bounties in relation to most-favoured-nation clause?	166
302	To Mr. Macdonell	..	30,	Brazilian Delegate never attended. Trust Brazil will accept Convention	166
303	To Sir W. Stuart	..	0,	Trust Netherlands proposal as to suppression of surtaxes will not be so pressed as to imperil the Convention	166
304	To Sir L. West	..	30,	Hope United States' Government will be represented officially at next meeting of Conference, and that United States' Government will accept Convention	167
305	To Colonial Office and India Office	..	30,	As to inclusion of British Colonies and India in Convention	167
306	London Trades' Council	..	30,	Appreciation of success of Conference ..	167
307	Colonial Office	..	Jan. 6, 1888	Circulars sending papers relating to Conference to Colonies	168

Correspondence relative to the Conference on Sugar Bounties,
held in London in 1887.

No. 1.

Colonial Office to Foreign Office.—(Received September 28.)

Sir,

Downing Street, September 25, 1886.

I AM directed by Mr. Secretary Stanhope to request that you will lay before the Earl of Iddesleigh the correspondence which has passed between this Department and the Board of Trade with reference to the possibility of summoning a Conference of those Continental nations which grant bounties on the export of sugar to discuss the position of the sugar industries.

The practical questions for the consideration of an International Conference would be whether any joint action of the sugar-producing countries, or any of them, could be devised for improving the position of the sugar industries.

I am to add that Mr. Stanhope has been led to understand that there is some reason for believing that Germany, if not some other Powers, would be by no means disinclined to adopt the proposal, and Mr. Stanhope would suggest, for Lord Iddesleigh's consideration, whether, before making any formal proposal for the assembling of a Conference, it might not be possible, through Her Majesty's Ambassador at Berlin, to sound the German Government on the subject.

I am, &c.

(Signed) JOHN BRAMSTON.

Inclosure 1 in No. 1.

Colonial Office to Board of Trade.

Sir,

Downing Street, September 8, 1886.

REFERRING to previous correspondence on the subject of the bounties on the export of sugar granted by certain foreign countries, I am directed by Mr. Secretary Stanhope to request you to call the attention of the President of the Board of Trade to the report which appeared in the "Times" of the 21st ultimo of the proceedings which took place at the receipt of a deputation to the Secretary of State at this Office on the 20th ultimo on the subject of the West India sugar industry.

I am also to inclose copies of Petitions on the subject of sugar bounties which have been recently received from the Colonies of British Guiana and Barbados.

Mr. Stanhope is of opinion that the case brought to his notice in this manner is one deserving the careful attention of Her Majesty's Government, and he would be glad to be informed whether Lord Stanley concurs with him in thinking that it would on many grounds be desirable to adopt the suggestion now again brought forward of inviting those foreign Governments which grant bounties upon sugar to join Her Majesty's Government in a Conference.

If Lord Stanley would be prepared to support a recommendation to this effect, Mr. Stanhope will invite the Secretary of State for Foreign Affairs to consider the expediency of taking immediate action upon the subject.

I am, &c.

(Signed) E. WINGFIELD.

Inclosure 2 in No. 1.

Board of Trade to Colonial Office.

Sir,

Board of Trade, September 13, 1886.

I AM directed by the Board of Trade to state, in reply to your letter of the 8th instant, on the subject of the bounties on the export of sugar granted by certain foreign countries, that the Board of Trade recognize the fact that there is a strong feeling on the part of persons connected with the sugar growing interests and with the sugar trade that a Conference with the Governments of the countries in question would afford means for improving the position of these interests and of the trade.

The Board of Trade would, therefore, assent to the suggestion that Her Majesty's Government should take steps to bring about such a Conference if it could meet with definite objects in view.

I have, &c.

(Signed) HENRY G. CALCRAFT.

No. 2.

The Earl of Iddesleigh to Sir E. Malet.

Sir,

Foreign Office, October 4, 1886.

I TRANSMIT, for your Excellency's information, copies of a letter and of its inclosures from the Colonial Office* relative to a proposal for an International Conference to discuss the sugar question, with a view of considering whether any joint action of the sugar-producing countries or of any of them could be devised for improving the position of the sugar industries.

I also inclose copy of the reply which I have caused to be addressed to the Colonial Office,† and I have to request your Excellency to sound the German Government as to their willingness to take part in such a Conference.

I am, &c.

(Signed) IDDESLEIGH.

No. 3.

Foreign Office to Colonial Office.

(Extract.)

Foreign Office, October 4, 1886.

I AM directed by the Earl of Iddesleigh to acknowledge the receipt of your letter of the 25th ultimo, with its inclosures, in which you suggest, by direction of the Secretary of State for the Colonies, that Her Majesty's Ambassador at Berlin should be instructed to sound the German Government as to their willingness to join in an International Conference on the sugar question, with the object of considering whether any joint action of the sugar-producing countries or of some of them could not be devised for improving the position of the sugar industries.

In reply, I am to request that you will inform Mr. Secretary Stanhope that Lord Iddesleigh has instructed Sir E. Malet to sound the German Government as to their willingness to take part in such a Conference.

No. 4.

Foreign Office to Board of Trade.

Sir,

Foreign Office, October 4, 1886.

WITH reference to your letter of the 25th ultimo, I am directed by the Earl of Iddesleigh to transmit to you, for the information of the Board of Trade, the accompanying correspondence relative to a suggestion made by the Secretary of State for the Colonies for an International Conference on the sugar question.‡

I am, &c.

(Signed) JAMES FERGUSON.

* No. 1.

‡ Nos. 1 (without inclosures), 2, and 3.

† No. 3.

No. 5.

Workmen's National Association for the Abolition of Foreign Sugar Bounties to the Earl of Iddesleigh.—(Received October 12.)

*Central Committee Rooms, Trafalgar Coffee Hotel,
Leman Street, Whitechapel, October 11, 1886.*

My Lord,

I AM directed by the above Association to forward, for your Lordship's consideration, copy of Resolution unanimously adopted at their meeting held in East London on Saturday last, and to further express an earnest hope that the International Conference about to take place upon the subject of the foreign sugar export bounties may be held in London, so that the labour interests may be put before the attention of the British Delegates.

I have, &c.
(Signed) SAMUEL PETERS, *Secretary.*

Inclosure in No. 5.

Resolution.

THAT this Council meeting, representing the labour dependent upon the shipping, sugar, and dock industries of the port of London, bearing in mind the continued scarcity of employment amongst large masses of our working population, due to the indefensible system of foreign State bounties, strongly urges upon Her Majesty's Government the necessity of losing no time in summoning the International Conference on this question in London, and resolves to render every support to the Government in connection with the Conference. This Council expresses its conviction that no closer commercial intercourse with our Colonies than at present exists can be hoped for whilst foreign countries are permitted to crush our home and colonial industries by a system of State bounties.

No. 6.

Foreign Office to Workmen's National Association for the Abolition of Foreign Sugar Bounties.

Sir,

Foreign Office, October 15, 1886.

I AM directed by the Earl of Iddesleigh to acknowledge the receipt of your letter of the 11th instant, inclosing copy of a Resolution adopted by the Workmen's National Association for the Abolition of Foreign Sugar Bounties; and I am to request you to inform the Association that your communication has been forwarded to the Board of Trade.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 7.

Foreign Office to Board of Trade.

Sir,

Foreign Office, October 15, 1886.

I AM directed by the Earl of Iddesleigh to transmit to you, to be laid before the Board of Trade, a letter from the Workmen's National Association for the Abolition of Foreign Sugar Bounties, inclosing copy of a Resolution;* and I am to state that this communication has been acknowledged, with an intimation that it has been forwarded to the Board of Trade.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 8.

Colonial Office to Foreign Office.—(Received November 13.)

Sir,

Downing Street, November 11, 1886.

I AM directed by the Secretary of State for the Colonies to transmit to you, for the information of the Earl of Iddesleigh, with reference to previous correspondence on the subject, the documents specified below.*

I am, &c.

(Signed)

ROBERT G. W. HERBERT.

Inclosure 1 in No. 8.

West India Committee to Colonial Office.

Sir,

51, Lime Street, London, October 18, 1886.

WE ventured to request on the 23rd ultimo that you would be pleased to place the West India Committee in communication with the Department of the Government having charge of the negotiations regarding the proposed International Sugar Conference for the abolition of bounties on export.

I beg respectfully to inquire whether any steps have yet been taken by Her Majesty's Government in view of the proposed Conference, and whether any communications have been opened with foreign Powers on the subject.

I have, &c.

(Signed)

JAMES L. OHLSEN, *Secretary.*

Inclosure 2 in No. 8.

Colonial Office to West India Committee.

Sir,

Downing Street, November 8, 1886.

I AM directed by Mr. Secretary Stanhope to acknowledge the receipt of your letters of the 23rd September and the 18th ultimo, and to inform you that, should it be decided to open formal negotiations with foreign Governments for the convention of an International Conference on the position of the sugar industry, the Foreign Office would be the Department in charge of the negotiations, and that any suggestions which the West India Committee may wish to make on the subject would then be conveniently addressed to that Department.

I am, &c.

(Signed)

EDWARD WINGFIELD.

No. 9.

The British Sugar Refiners' Committee to the Earl of Iddesleigh.—(Received November 13.)

My Lord,

21, Mincing Lane, November 12, 1886.

I AM desired to bring to your Lordship's notice the following extract from the Report of a speech made by M. Wilson, Reporter of the Budget Commission, in the French Chamber of Deputies on the 10th instant :—

“ M. Wilson, Rapporteur-Général du Budget, après avoir répondu à M. Amagat quant à la conduite des finances du pays, a abordé le Budget des dépenses et commencé par la question des sucres.

“ Après avoir dit que le déficit des recettes provenant des sucres s'élèvera à 50 millions environ, il s'explique pourquoi la Commission du Budget s'est bornée à constater le déficit et à le signaler à l'attention de la Chambre.

“ Elle l'a fait, parce que, en premier lieu, elle a pensé que les recettes des sucres provenant d'une Loi organique, il lui était difficile d'embarrasser la discussion du Budget par des propositions concernant cette Loi. Il y a évidemment deux choses à faire ; il y a

* West India Committee to Colonial Office, October 18; Colonial Office to West India Committee, November 8, 1886: as to communications respecting the proposed International Conference on the Sugar question.

non seulement à recourir à une mesure transitoire pour éviter la moins-value annoncée, mais aussi à faire une Loi définitive qui garantisse mieux que la loi actuelle les intérêts du Trésor.

“ En second lieu, nous aurions cru empiéter sur l'initiative du Gouvernement, ce que nous avons voulu d'autant moins faire que la question des sucres est des plus importantes.

“ Mais nous avons considéré comme notre devoir sinon de vous formuler des propositions fermes, au moins de vous faire connaître notre opinion sur ce qu'il convient de faire, non seulement au point de vue du déficit de 1887, mais aussi en ce qui concerne les modifications à introduire au régime des sucres ; car il ne suffirait pas de vous présenter un expédient plus ou moins habile qui permette de retrouver les 49,000,000 ou 50,000,000 que nous allons perdre en 1887 ; je crois que la Chambre, suffisamment éclairée et instruite par l'application pendant deux ans de ce monopole, ne consentira pas à laisser une brèche de cette nature dans ses finances, et qu'elle voudra non seulement statuer pour 1887, mais faire quelque chose de complet pour porter remède à la situation future en même temps qu'à la situation présente.

“ Permettez-moi, pour indiquer ce que je crois le remède, de revenir en deux mots sur cette question de sucres. Vous savez que l'État impose d'après la betterave qui est employée à sa fabrication ; vous savez que, par conséquent, les sucriers ont intérêt à la production de la betterave riche, ce qui, soit dit en passant, est plus ou moins avantageux à l'agriculture ; car, comme le fabricant de sucre achète au poids, plus la betterave est riche, plus il gagne sur la betterave et moins il paye le cultivateur.

“ Vous savez qu'on paye d'après un rendement conventionnel qui est encore, cette année, de 6 pour cent. Mais le rendement vrai est de beaucoup supérieur à 6 pour cent, et il paraît qu'il va jusqu'à 12 pour cent ; cependant nos calculs n'ont été établis que sur 10 pour cent parce que nous avons craint d'être taxés d'exagération.

“ En fait, il est hors de doute qu'à l'heure qu'il est, les fabricants de sucre ont obtenu des bonis de rendement de 30 à 36 pour cent, c'est-à-dire que sur trois sacs de 100 kilog., ils ont un sac libre auquel vous ne faites pas payer de droits.

“ Le sucre vaut 32 fr. environ, le droit est de 50 fr., ils ont deux sacs à 82 fr., plus un sac qui ne leur coûte que 32 fr., le prix de vente, et ils mettent dans leur poche les 50 fr. que vous leur allouez pour ce sac.

“ Nous constatons que sur trois sacs le fabricant de sucre perçoit un bénéfice de 50 fr. Ce bénéfice fait donc ressortir une prime de 16 fr. 65 c. par sac, et il n'est pas contesté—je le démontrerai au besoin en reprenant les chiffres de mon Rapport—qu'il résulte de la situation actuelle que les bonis de rendement, y compris ceux des sucres coloniaux, étant évalués à 144,000 tonnes, la perte pour le Trésor est de 72,000,000 fr.

“ Que faut-il faire ? Il convient de prendre deux partis : d'abord se rallier à une mesure transitoire pour éviter la moins-value de 1887 et, si nous n'étions pas si avancés dans l'année, je voudrais aussi retrancher une partie de la perte de 1886 ; je regrette même que cette question n'ait pas été examinée il y a quelques mois, sans attendre jusqu'au mois de Novembre. Il faut donc considérer comme perdu l'argent de 1886, mais nous devons chercher à ne pas perdre celui de 1887.

“ Nous ne pouvons avoir la prétention, avant la fin de l'année, de faire une Loi organique sur les sucres, et j'insiste sur ce point, car j'entends déjà les représentants de l'industrie sucrière s'écrier que ce n'est pas à propos du Budget qu'on peut discuter une aussi grosse question, et j'aperçois l'échappatoire par lequel ils chercheront à maintenir au Budget de 1887 la prime de 72,000,000 fr. Par conséquent, ne vous laissez pas arrêter par cette objection, et par la proposition qui vous sera faite de discuter cette question au printemps.

“ Réservez, si vous le voulez, pour le printemps les modifications qu'il convient d'apporter à la Loi de 1884, afin de créer un nouveau régime pour les sucres ; mais, dès maintenant, votons une mesure transitoire dont profite le Budget de 1887. J'appelle sur ce point l'attention du Gouvernement, qui aurait peut-être pu déjà prendre l'initiative d'apporter un projet de Loi pour combler le déficit d'un Budget que nous discutons. J'ajoute même que, si le Gouvernement ne dépose pas un projet dans ce sens avant la discussion de l'Article du Budget relatif aux sucres, la Commission se verra dans la nécessité d'apporter une proposition à la tribune.

“ Il suffit tout simplement de reconnaître qu'il y a erreur et de dire aux fabricants de sucre : Nous avons constitué un privilège exorbitant à votre profit parce que nous nous sommes trompés. Il est bien certain que les renseignements qui ont été fournis à cette tribune ne permettaient pas de supposer que les mesures adoptées coûteraient 72,000,000 fr. au Trésor, et je trouve la justification de cette interprétation dans les paroles prononcées en 1884 à la tribune par le Ministre du Commerce d'alors. Je crois ne pas me tromper en

citant de souvenirs. Le Ministre a déclaré qu'on évaluait les avantages procurés par la loi aux fabricants à environ 10 fr. par 100 kilog. de sucre, ce qui, pour une consommation moyenne de 360,000 tonnes de sucre, donnait une somme de 36,000,000 fr. Par conséquent, le privilège qu'on entendait accorder aux sucriers était évalué à 36,000,000 fr. Cette somme est énorme, Messieurs, et il est bien difficile d'admettre qu'une Chambre Républicaine vienne ainsi jeter à des privilégiés 36,000,000 fr. pris dans la poche des contribuables.

“Même après avoir obtenu la rentrée de ces 36,000,000 fr., les pertes s'élevant à 49,000,000 fr., il reste encore une insuffisance de 13,000,000 fr.

“Pour couvrir ce déficit, il faudra s'adresser à celui qui, dans ce pays, paye toujours en dernière analyse, à celui qui supporte les conséquences des fautes commises, c'est-à-dire au malheureux contribuable; c'est au malheureux contribuable qu'il faut s'adresser pour rattrapper l'argent, qui a été gaspillé ou donné contrairement aux intérêts du pays.

“Messieurs, on assure qu'il ne serait pas équitable de demander aux sucriers plus de la moitié des excédents: je me résigne donc à ne leur demander que 36,000,000 fr. sur 72,000,000 fr. Pour obtenir le surplus des 49,000,000 fr., le contribuable devra acheter le sucre qu'il consomme encore plus cher, afin de payer les largesses faites aux sucriers, et, comme nous sommes en présence d'un déficit de 13,000,000 fr., que, d'autre part, il convient de compter que, la prime diminuant, la sucrerie produira beaucoup moins,—car il est hors de doute que la sucrerie produit en raison de la prime,—et que nous aurons à cet égard un mécompte, je suis d'avis de mettre sur le quintal de sucre un droit de 5 fr., ce qui produira à peu près une vingtaine de millions au lieu des 13 millions nécessaires. Il faut, en effet, compter sur une baisse de 5,000,000 à 6,000,000 le jour ou nous partagerons les excédents, soit par suite d'erreurs plus ou moins volontaires, soit parce que la production sera moins forte, l'appât du gain ayant diminué.

“Tels seraient les remèdes à apporter à la situation que nous avons signalée, et j'espère que la Chambre tiendra la main à ce que les mesures indispensables à prendre ne soient pas, sous prétexte d'une Loi générale, à discuter ultérieurement, ajournées après le vote du Budget.”

In view of the negotiations recently entered into by Her Majesty's Government for an International Conference on the sugar question, the statements contained in this extract appear to be of considerable importance, and well worthy of your Lordship's careful consideration.

The sugar industry in France would be thankful to get rid of the competition created by the bounties elsewhere, while the sugar manufacturers of other European countries, alarmed at the formidable competition which has arisen from this new and exaggerated bounty in France, would be very much disposed to favour an International Agreement which might relieve them of it.

The French Government have, therefore, considerable power to bring about a Convention for the abolition of bounties if they will offer to remove their own, provided that other countries will do likewise.

The statement made by M. Wilson would appear to furnish Her Majesty's Government with an opportunity to make such a suggestion to the French Government.

It must be recollected that the industry in France will strongly resist any change in the law so long as they are harassed by the bounties in other countries. But if they could see a prospect of bounties generally being abolished they would probably be disposed to co-operate with their Government in restoring the revenue from sugar to its former amount.

I am, &c.

(Signed) GEORGE MARTINEAU, *Secretary,*
British Sugar Refiners' Committee.

No. 10.

Board of Trade to Foreign Office.—(Received November 13.)

Sir,

Board of Trade, London, November 12, 1886.

I AM directed by the Board of Trade to forward to you, to be laid before the Earl of Iddesleigh, the accompanying copy of a letter which has been received in this Department through the Secretary to the Chancellor of the Exchequer, asking for information as to the present state of the negotiations in regard to the proposed International Conference on the subject of sugar bounties; and I am to request that you will be good enough to

move his Lordship to cause this Board to be informed at his early convenience what reply he would recommend them to make to this inquiry.

I have, &c.
(Signed) R. GIFFEN.

Inclosure in No. 10.

Mr. T. M. Kelly to Lord Randolph Churchill.

*Trafalgar Hotel, Leman Street, Whitechapel,
November 9, 1886.*

My Lord,

I REGRET very much to inform you that the distress in the East End of London is deepening daily. The people who suffer most are dock-labourers of every description—shipwrights, sugar operatives, carmen, iron-workers, and allied trades, and shipping workmen of all kinds. I am directed to most respectfully ask your Lordship what is the state of the negotiations with respect to the International Conference on foreign sugar bounties, and when the Conference will meet, as this is a burning labour subject in the East End.

I am, &c.
(Signed) THOMAS M. KELLY, *Secretary,
Dock Labourers, &c.*

No. 11.

The Earl of Iddesleigh to Sir E. Malet.

Sir,

Foreign Office, November 19, 1886.

WITH reference to my despatch of the 4th ultimo, I have to request your Excellency to inform me whether you have taken any steps to sound the German Government as to their willingness to take part in a Conference on the Sugar question, and, if so, with what result.

I am, &c.
(Signed) IDDESLEIGH.

No. 12.

Foreign Office to Board of Trade.

(Extract.)

Foreign Office, November 19, 1886.

IN reply to your letter of the 12th instant, I am directed by the Earl of Iddesleigh to request that you will inform the Board that, so far as his Lordship is aware, there are no negotiations in progress for an International Conference on the subject of sugar bounties.

I am at the same time to transmit a further letter, and its inclosures, from the Colonial Office, and a letter from the British Sugar Refiners' Committee,* who have been informed that their letter has been referred to your Department.

I am to add that Sir E. Malet has not yet reported the result of any steps which he may have taken to sound the German Government respecting the proposed Conference, and that his Excellency's attention has been called to the matter.

No. 13.

Foreign Office to British Sugar Refiners' Committee.

Sir,

Foreign Office, November 19, 1886.

I AM directed by the Earl of Iddesleigh to acknowledge the receipt of your letter of the 12th instant respecting the discussion of the Sugar question in the French Chamber of Deputies, &c., and to inform you that it has been referred to the Board of Trade, which Department deals with that subject.

I am, &c.
(Signed) JAMES FERGUSON.

* Nos. 8 and 9

No. 14.

Colonial Office to Foreign Office.—(Received November 20.)

Sir,

Downing Street, November 18, 1886.

I AM directed by the Secretary of State for the Colonies to transmit to you, for the information of the Earl of Iddesleigh, with reference to the letter from this Department of the 11th instant, a letter from the West India Committee, dated the 9th instant, as regards the proposed International Conference on the Sugar Industries.

I am, &c.

(Signed) ROBERT G. W. HERBERT.

Inclosure in No. 14.

The West India Committee to Colonial Office.

Sir,

51, Lime Street, London, November 9, 1886.

I HAVE to thank you for your letter of yesterday in reference to my note to Mr. Bramston of the 1st October, and stating that nothing was known at the Foreign Office as to the suggestion that the Belgian Government should convoke a Conference on the Sugar question.

From what I have since heard, it is possible our informant misunderstood the information which was given him. I may add, however, that the severity of the competition is becoming most serious, and if the Colonial Office can communicate any news of progress in calling the Conference, it would be received with anxious interest by the West India body.

I am, &c.

(Signed) N. LUBBOCK.

No. 15.

Foreign Office to Colonial Office.

Sir,

Foreign Office, November 24, 1886.

WITH reference to your letters of the 11th and 18th instant, I am directed by the Earl of Iddesleigh to transmit to you, for the information of the Secretary of State for the Colonies, the accompanying correspondence with the Board of Trade, which shows the present position of the subject.*

I am, &c.

(Signed) JAMES FERGUSSON.

No. 16.

Sir E. Malet to the Earl of Iddesleigh.—(Received November 25.)

My Lord,

Berlin, November 23, 1886.

WITH reference to your Lordship's despatch of the 19th instant, I have the honour to inform your Lordship that on receiving your Lordship's despatch of the 4th ultimo, I immediately asked Count Bismarck whether the German Government would be willing to take part in a Conference on the Sugar question. His Excellency replied that he would submit the question to the proper authorities, and would inform me of the result.

On my stating to Count Berchem (who is acting for Count Bismarck during the temporary absence of the latter) that your Lordship was anxious for a reply, he told me that the Imperial Government was in correspondence on the subject with the Government of Prussia, that the question was receiving the most careful consideration, and that I should be informed as soon as a decision had been come to.

I have, &c.

(Signed) EDWARD B. MALET.

* Nos. 10 and 12.

West India Committee to the Earl of Iddesleigh.—(Received November 25.)

My Lord,

51, Lime Street, London, November 23, 1886.

WITH reference to the proposal for an International Conference on the Sugar question, we feel that we are fully justified in addressing your Lordship in an urgent manner by the increasingly serious and critical condition of the sugar industry in the British West India Colonies.

That the European Governments would be willing to enter into such a Conference there is little doubt, and as a further proof of this we would refer to the position of affairs in France, as explained in a recent speech of M. Wilson, the Reporter-General of the Budget Commission in the French Chamber. We beg to inclose a Memorandum of the points of M. Wilson's speech, and we understand that the French Government are now considering a project of law to be submitted to the Chamber to recoup the immense loss to the Treasury occasioned by the bounty system.

We shall be anxious to be informed of the decision arrived at by the French Government and Chamber on this important matter, and we trust that your Lordship will be good enough to approach the French Government, with a view to an early assembling of an International Conference for the abolition of bounties by all the bounty-giving Powers.

I have, &c.
(Signed) N. LUBBOCK, *Chairman.*

Inclosure in No. 17.

Summary of Speech delivered by M. Wilson, Reporter-General of the Budget Commission, in the French Chamber of Deputies, November 10, 1886.

HE is bound to call attention to the deficit in the receipts from sugar. The discussion of the Budget need not be embarrassed, although the sugar receipts proceed from an organic law. There are two things which need to be done, viz., to pass a temporary law to cover the existing loss, and also a positive law to guarantee better than the existing one the interests of the Treasury. Without encroaching on the initiative of the Government we wish to formulate firm propositions, not only with regard to the deficit of 1887, but also to the modifications of the régime of sugars.

The Chamber, sufficiently awakened and instructed by the application of this monopoly for two years, will not consent to allow a breach of this nature in the finances, but will make the remedy complete by carrying it to future years.

The State taxes according to the beetroot used in the manufacture; the manufacturers have an interest in the production of rich beetroot. This may be more or less advantageous to agriculture, because as the fabricant buys by weight, the more he gets out of it the less he pays the cultivator. Duty is paid according to a conventional yield, which is this year 6 per cent. But the true yield appears to be nearly 12 per cent. Meanwhile, 10 per cent. may be taken without exaggeration. The sugar-makers obtain a benefit in the yield of 30 per cent. to 36 per cent.; upon three sacks of 100 kilog. they have a sack which is entirely free from duty. The sugar is valued at 32 fr.; the duty is 50 fr. They have then two sacks at 82 fr., plus a sack which does not cost them more than 32 fr., and they pocket the 50 fr., which is thus allowed them for this sack. Upon three sacks of sugar, therefore, the manufacturer obtains a benefit of 50 fr., or 16 fr. 65 c. per sack of 2 cwt. The actual situation is that the benefits of the yield, as well as those on 144,000 tons of Colonial sugar, cause a loss to the Treasury of 72 millions. Pass a temporary measure to avoid the loss of 1887, and endeavour to retrench a part of the loss of 1886.

M. Wilson then referred to the opposition of the sugar industry, who hoped to maintain the premium of 72,000,000 fr. for 1887. This temporary measure should be passed at once, leaving the changes in the Law of 1884 to be discussed in the spring. We have simply to say to the sugar manufacturers we have deceived ourselves in giving this enormous profit to you.

In 1881 the Minister of Commerce estimated the advantages obtained from the Law by the manufacturers was 10 fr. per 100 kilog., or upon a consumption of 360,000 tons a total of 36,000,000 fr. It is very difficult to imagine that a Republican Chamber should thus throw to a privileged class 36,000,000 fr., taken from the pockets of the taxpayers. To cover the existing loss we must address ourselves to those who have to bear the

consequences of the faults of others. We shall have to ask the unhappy taxpayers to repay the money which has been wastefully squandered, contrary to the interests of the country. Supposing 36,000,000 fr. were obtained from the sugar maker, the taxpayer in supplying the remaining 49,000,000 fr. will be bound to buy the sugar he consumes still more dearly, in order to pay these largesses to the sugar makers. It may be expected that the sugar produced will be less, as it is beyond doubt that the sugar is produced by reason of the premium, and will become less as the attraction of gain is diminished.

No. 18.

Foreign Office to Board of Trade.

Sir,

Foreign Office, November 29, 1886.

I AM directed by the Earl of Iddesleigh to transmit to you, to be laid before the Board of Trade, the accompanying letter, with its inclosures, from the West India Committee,* and I am to request that you will move the Board to favour his Lordship with their opinion respecting the suggestion made therein, that Her Majesty's Government should approach the French Government with a view to the early assembling of an International Conference on the question of the sugar bounties.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 19.

Foreign Office to West India Committee.

Sir,

Foreign Office, November 29, 1886.

I AM directed by the Earl of Iddesleigh to acknowledge the receipt of your letter of the 23rd instant, and to inform you, in reply, that his Lordship has consulted the Board of Trade on your suggestion, that the French Government should be approached with a view to the early assembling of an International Conference to consider the question of the sugar bounties.

I am to add that Her Majesty's Ambassador at Paris has already been instructed to report as soon as possible the decision of the French Government with regard to the bounty to be granted on the present sugar crop.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 20.

Foreign Office to Board of Trade.†

Sir,

Foreign Office, November 30, 1886.

WITH reference to the letter from this Office of the 4th ultimo, I am directed by the Earl of Iddesleigh to transmit to you a despatch from Her Majesty's Ambassador at Berlin, reporting a conversation with Count Berchem on the subject of the proposed Sugar Conference.‡

I am, &c.

(Signed) JAMES FERGUSSON.

No. 21.

Mr. Scott to the Earl of Iddesleigh.—(Received December 6.)

My Lord,

Berlin, December 3, 1886.

WITH reference to your Lordship's despatches of the 4th October last and of the 19th ultimo, on the subject of the proposed International Sugar Conference, I have the honour to report that Count Bismarck informed me yesterday that the Imperial Govern-

* No. 17.

† Also to Colonial Office.

‡ No. 16.

ment would be prepared to take into consideration the question of their participation in the proposed Conference on the receipt of a formal invitation, accompanied by further details as to its objects and scope.

I have, &c.
(Signed) CHARLES S. SCOTT.

No. 22.

Foreign Office to Board of Trade.

Sir,

Foreign Office, December 11, 1886.

WITH reference to the letter from this Office of the 30th ultimo, I am directed by the Earl of Iddesleigh to transmit herewith, to be laid before the Board of Trade, for such observations as they may have to offer, a despatch in original from Her Majesty's Chargé d'Affaires at Berlin,* reporting that the German Government would be ready to consider the question of taking part in a Conference on the sugar question on the receipt of an invitation accompanied by details as to its objects and scope.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 23.

Foreign Office to Colonial Office.

Sir,

Foreign Office, December 11, 1886.

WITH reference to the letter from this Office of the 30th ultimo, I am directed by the Earl of Iddesleigh to state to you, for the information of Mr. Stanhope, that Mr. Scott, Her Majesty's Chargé d'Affaires at Berlin, has reported that Count Bismarck has expressed to him in conversation the willingness of the German Government to take into consideration the question of taking part in a Conference on sugar on receipt of a formal invitation giving details as to its objects and scope.

Mr. Scott's despatch has been communicated to the Board of Trade for their observations.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 24.

Colonial Office to Foreign Office.—(Received December 21.)

Sir,

Downing Street, December 21, 1886.

I AM directed by Mr. Secretary Stanhope to acknowledge the receipt of your letter of the 11th instant, stating that Her Majesty's Chargé d'Affaires at Berlin has reported that Count Bismarck has expressed to him the willingness of the German Government to take into consideration the question of taking part in a Conference on sugar on receipt of a formal invitation giving details as to its object and scope.

I am to inform you that Mr. Stanhope has also received from the Board of Trade a copy of your letter to that Department of the 29th ultimo, having reference to a request of the West India Committee, that the French Government might be approached upon the same subject, and I am to request that you will state to the Earl of Iddesleigh that Mr. Stanhope is inclined to think that it would be advisable to sound the French Government on the subject of joining in the proposed Conference before proceeding to take advantage of the reported willingness of the German Government to favourably consider the proposal.

I am, &c.
(Signed) EDWARD WINGFIELD.

No. 25.

The Earl of Iddesleigh to Viscount Lyons.

My Lord,

Foreign Office, December 28, 1886.

I INCLOSE, for your Excellency's information, a correspondence, as noted in the margin,* relative to a suggestion made by the Colonial Office for a Conference of the countries interested in the Sugar question to discuss the position of the sugar industries, with a view of considering whether any joint action of the sugar-producing countries, or of any of them, could be devised for improving those industries; and I have to request your Excellency to sound the French Government as to their willingness to take part in such a Conference.

I am, &c.
(Signed) IDDESLEIGH.

No. 26.

Foreign Office to Board of Trade.

Sir,

Foreign Office, December 28, 1886.

WITH reference to the letter from this Office of the 11th instant and previous correspondence, I am directed by the Earl of Iddesleigh to transmit to you, for the information of the Board of Trade, copy of a letter from the Colonial Office,† suggesting that the French Government may be sounded as to their willingness to take part in a Conference on the sugar industries, together with copy of a despatch which his Lordship has addressed to Her Majesty's Ambassador on the subject.‡

I am, &c.
(Signed) JAMES FERGUSSON.

No. 27.

Foreign Office to Colonial Office.

Sir,

Foreign Office, December 28, 1886.

I AM directed by the Earl of Iddesleigh to acknowledge the receipt of your letter of the 21st instant, suggesting that the French Government should be sounded as to their willingness to take part in a Conference to discuss the question of the position of the sugar industries; and I am to inclose, for the information of the Secretary of State for the Colonies, draft of a despatch which his Lordship has addressed to Her Majesty's Ambassador at Paris on the subject.‡

I am to add that this correspondence has been communicated to the Board of Trade.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 28.

Viscount Lyons to the Earl of Iddesleigh.—(Received January 6.)

My Lord,

Paris, January 5, 1887.

IN execution of the instruction conveyed to me by your Lordship's despatch of the 28th ultimo, I sounded M. Flourens this afternoon as to the willingness of the French Government to take part in a Conference of the countries interested in the Sugar question, with a view of considering whether any joint action of the sugar-producing countries, or of any of them, could be devised for improving those industries.

M. Flourens said he would not fail to consider the matter carefully, and that he would give me an answer as promptly as possible.

* Nos. 1, 2, 3, 4, 8, 9, 11, 14, 16, 17, 18, 20, 21, 22, 23, and 24.

† No. 24.

‡ No. 25.

I gave him a Memorandum of the objects of the Conference in the terms of your Lordship's despatch.

I have, &c.
(Signed) LYONS.

No. 29.

*Foreign Office to Board of Trade.**

Sir, *Foreign Office, January 7, 1887.*
WITH reference to the letter from this Office of the 28th ultimo, I am directed by the Secretary of State for Foreign Affairs to transmit to you, to be laid before the Board of Trade, the accompanying copy of a despatch, as marked in the margin,† reporting the intention of the French Government to consider the question of the proposed Sugar Conference.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 30.

Colonial Office to Foreign Office.—(Received January 8.)

Sir, *Downing Street, January 7, 1887.*
I AM directed by the Secretary of State for the Colonies to transmit to you, to be laid before the Earl of Iddesleigh, a copy of a despatch from the Governor of British Guiana, with an inclosure, relative to the proposed Conference on the question of the sugar bounties.

I am, &c.
(Signed) ROBERT G. W. HERBERT.

Inclosure 1 in No. 30.

Governor Sir H. Irving to Mr. Stanhope.

Sir, *Government House, Georgetown, Demerara,
December 9, 1886.*
WITH reference to Earl Granville's despatch of the 2nd July last, I have the honour to transmit herewith copy of a letter from the Secretary of the British Guiana Planters Association, embodying a Resolution passed at a meeting of the Association held on the 6th instant, urging the desirability of the proposed Conference with the European Powers on the bounty question being held at the earliest possible date, and that no steps should be left unturned to bring about such a Conference.

I have, &c.
(Signed) HENRY T. IRVING.

Inclosure 2 in No. 30.

British Guiana Planters' Association to the Government Secretary.

Sir, *Georgetown, December 7, 1886.*
ADVERTING to the Acting Government Secretary's letter, dated the 9th August, 1886, on the subject of a Petition sent through this Association to Her Majesty's Principal Secretary of State with regard to the bounty system, wherein the petitioners are informed—

“That Her Majesty's Government continue to be desirous to avail themselves of any good opportunity of pressing upon foreign Governments the abolition of bounties on the export of sugar;” and in view of the contemplated Conference with the European Powers on the bounty question, the following Resolution was passed at a meeting of the above Association, held on the 6th instant:—

* Also to Colonial Office, *mutatis mutandis*.

† No. 28.

"That, in the opinion of this Association, it is desirable to request his Excellency the Governor to address Her Majesty's Government, respectfully urging the desirability of the proposed Conference being held at the earliest possible date, and that no steps should be left unturned to bring about such a Conference, it being, according to the views of this Association, the only method of bringing matters to a satisfactory issue, and that his Excellency be asked to forward this expression of opinion by the mail of the 10th December."

It was further decided to draw up a Petition on similar lines to the above, to be forwarded through his Excellency at a later date.

Respectfully drawing your attention to the urgency of this communication, I have, &c.

(Signed) A. SUMMERSON, *Secretary*.

No. 31.

Viscount Lyons to the Marquis of Salisbury.—(Received January 24.)

(Extract.)

Paris, January 20, 1887.

WITH reference to my despatch of the 5th instant, I have the honour to report to your Lordship that I reminded M. Flourens yesterday of the communication I had made to him relative to an International Conference on the Sugar question, and asked him whether he could now tell me anything as to the willingness of the French Government to take part in such a Conference.

M. Flourens replied that he was not yet prepared to say anything positive on the subject. He would, however, come to an understanding with his colleagues as soon as possible, and give me an answer to my communication respecting an International Conference.

No. 32.

*Foreign Office to Board of Trade.**

Sir,

Foreign Office, January 25, 1887.

WITH reference to my letter of the 7th instant, I am directed by the Marquis of Salisbury to transmit to you, to be laid before the Board of Trade, a copy of a despatch from Her Majesty's Ambassador at Paris on the subject of the proposed Sugar Conference.†

I am, &c.

(Signed) JAMES FERGUSON.

No. 33.

Colonial Office to Foreign Office.—(Received January 27.)

Sir,

Downing Street, January 26, 1887.

I AM directed by the Secretary of State for the Colonies to transmit to you, for the information of the Marquis of Salisbury, the accompanying copy of a Petition from certain planters in British Guiana in favour of the holding of a Conference with a view to procuring the abolition of foreign sugar bounties.

I am, &c.

(Signed) ROBERT G. W. HERBERT.

Inclosure in No. 33.

Petition.

To the Right Honourable Edward Stanhope, Her Majesty's Principal Secretary of State for the Colonies.

The humble Petition of the undersigned planters, merchants, and others interested in the cane-sugar industry in British Guiana,

Sheweth :

1. THAT, in the Colony where your petitioners reside, the cultivation of sugar is the principal industry upon which the public revenue is based and the institutions of Govern-

* Also to Colonial Office.

† No. 31.

ment supported, by which the labouring population earn wages, and upon which the prosperity of the whole community depends.

2. That in consequence, however, of the practice of granting bounties upon the export of raw and refined sugars in many of the sugar-growing countries of the world, the industry of your petitioners has been of late years, and continues to be, most seriously affected.

3. That your petitioners have been led to understand that in a letter dated the 9th August, 1886, from the Acting Government Secretary of this Colony to the Planters' Association, on the subject of a Petition sent through that Association to Her Majesty's Principal Secretary of State with regard to the bounty system, the Secretary of State for the Colonies requested that the petitioners might be informed "that Her Majesty's Government continue to be desirous to avail themselves of any good opportunity of pressing upon foreign Governments the abolition of bounties on the export of sugar."

4. That a Conference of the European Powers on the bounty system is being contemplated.

5. That from the above extract of letter it would appear that Her Majesty's Government is willing to enter such Conference.

Your petitioners therefore humbly pray that you would be pleased to urge upon Her Majesty's Government the desirability of the proposed Conference being held at the earliest possible date, and that no steps should be left unturned to bring about such a Conference, it being, according to the views of your petitioners, the only method of bringing matters to a satisfactory issue.

And your petitioners will ever pray, &c.

(By his Attorney, J. J. Dare),
(Signed) H. A. PORTER
(And 164 others).

No. 34.

Foreign Office to Board of Trade.

Sir,

Foreign Office, February 1, 1887.

I AM directed by the Marquis of Salisbury to transmit to you, to be laid before the Board of Trade, the accompanying letter, with its inclosure, from the Colonial Office respecting the proposed Conference respecting sugar bounties.*

I am, &c.
(Signed) JAMES FERGUSSON.

No. 35.

Foreign Office to Colonial Office.

Sir,

Foreign Office, February 2, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 26th ultimo respecting the proposed Conference respecting sugar bounties, and, in reply, I am to request you to state to Sir Henry Holland that a copy of your letter has been communicated to the Board of Trade.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 36.

Board of Trade to Foreign Office.—(Received February 8.)

Sir,

Board of Trade, London, February 7, 1887.

I AM directed by the Board of Trade to forward to you, to be laid before the Marquis of Salisbury, the accompanying copy of a letter which has been received in this Department from the Secretary of the Dock and Riverside Labourers' Council in reference to the suggested International Conference on the foreign sugar bounties question, and I am to

* No. 33.

ask if you will be good enough to move his Lordship to cause this Board to be informed as to what reply he would recommend them to make to Mr. Kelly's inquiry.

I have, &c.
(Signed) R. GIFFEN.

Inclosure in No. 36.

Dock and Riverside Labourers' Council to Lord Stanley of Preston.

My Lord,

London, January 31, 1887.

AT a meeting of Delegates held to-day at the Central Rooms, Leman Street, White-chapel, E., from the various branches of the shipping, sugar, and dock industries of the port of London, I was instructed to write to your Lordship, and request from the Board of Trade all available information with respect to the present position of the contemplated International Conference on the foreign sugar bounty question. I am to acquaint your Lordship with the fact that great interest is centred on this question of foreign sugar bounties amongst all classes of labour in the East End of London, and we would feel obliged if your Lordship would favour us with the information we now ask for.

On behalf of the meeting, I remain, &c.

(Signed) THOS. M. KELLY, *Secretary.*

No. 37.

Foreign Office to Board of Trade.

Sir,

Foreign Office, February 12, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 7th instant, inclosing copy of a letter from Mr. Kelly, the Secretary to the Dock and Riverside Labourers' Council, inquiring as to the present position of the proposed International Sugar Conference; and with reference to your inquiry what answer Lord Salisbury would recommend to be sent to Mr. Kelly, I am to request that you will state to the Board that his Lordship would suggest that, if they see no objection, Mr. Kelly should be informed that the German Government are disposed, under certain conditions, to take part in such a Conference, but that the French Government have not yet stated their views on the subject.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 38.

Viscount Lyons to the Marquis of Salisbury.—(Received February 17.)

(Extract.)

Paris, February 16, 1887.

WITH reference to my despatch of the 20th ultimo, I have the honour to report to your Lordship that, in answer to a question which I put to him this afternoon, M. Flourens said that he was still unable to give me a positive official answer to the proposal I had made to him respecting an International Conference of the countries interested in the Sugar question.

He added, however, that he had consulted his colleagues, the Ministers of Commerce and of Agriculture, on the subject, and had found them disposed to consider the proposal for a Conference favourably.

No. 39.

*Foreign Office to Colonial Office.**

Sir,

Foreign Office, February 18, 1887.

I AM directed by the Secretary of State for Foreign Affairs to transmit to you, to be laid before the Secretary of State for the Colonies, the accompanying copy of a despatch, as marked in the margin,† respecting the proposed Conference on the Sugar question.

I am, &c.
(Signed) JAMES FERGUSSON.

* Also to Board of Trade.

† No. 38.

No. 40.

West India Committee to Foreign Office.—(Received March 3.)

My Lord Marquis,

51, Lime Street, London, March 2, 1887.

WE beg to call your attention to the annexed—(1) copy of telegram from Berlin which appeared in the London newspapers of the 28th February; (2) copy of the extract from "Die Deutsche Zucker Industrie," dated Berlin, the 25th February. This journal is the leading one in Germany devoted to the sugar interest, and is always well informed; and (3) copy of a telegram from Berlin published in the London newspapers of the 1st March.

From these extracts it would appear that Germany, the principal sugar-producing country of the Continent, as well as Austria, are disposed to join in an International Conference on the sugar bounty question, and we believe that there is little doubt Holland and Belgium would come into such an arrangement. We would therefore express our earnest hope that the object of the Conference would be to draw up a scheme for the suppression of the bounties to be submitted to the different Governments interested.

We beg, further, to request, inasmuch as there seems now good reason to anticipate that the Conference will take place, that your Lordship would be pleased to secure the West India Committee being kept thoroughly informed (confidentially, if necessary) of all that is passing on this subject, so that we may have the opportunity of expressing the views of those who are interested in the sugar industry of the British Colonies at the various stages of the proceedings.

I have, &c.

(Signed) N. LUBBOCK, *Chairman.*

(pp. James L. Ohlson, Secretary.)

Inclosure 1 in No. 40.

Extract from the "Times" of February 28, 1887.

THE German Government has consented to take part in the International Conference on the sugar premiums proposed by England.

Inclosure 2 in No. 40.

Extract from "Die Deutsche Zucker Industrie" of February 25, 1887.

AT the sitting on the 19th instant of the Sub-Committee of the Committee elected by the Austrian Senate for the consideration of the Sugar Tax Law, the following Resolution proposed by Deputy Menzer was carried unanimously: "To take advantage of every opportunity for the bringing about of international negotiations for the abolition of all export bounties."

Inclosure 3 in No. 40.

Extract from the "Times" of March 1, 1887.

AT a general meeting held to-day of the German Taxation Reform Association, a Resolution was adopted affirming the necessity of seeking to effect by means of an International Treaty the universal abolition, or at least the reduction as far as possible, of the export bounties on sugar. The Resolution declares that in the event of such a Treaty being concluded a consumption tax of 12 m. per meter centner on sugar of any kind would yield to the Empire an adequate revenue without injury to the sugar industry.

No. 41.

*The Marquis of Salisbury to Viscount Lyons.**

My Lord,

Foreign Office, March 7, 1887.

WITH reference to your Excellency's despatch of the 16th ultimo, respecting the proposed Conference on the sugar industries, I inclose, for your information, a copy of

* Also to Sir E. Malet.

[193]

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a letter on the subject from the West India Committee,* and have to request your Excellency to inquire whether any decision has now been come to by the French Government.

I have requested Her Majesty's Ambassador at Vienna to sound the Austro-Hungarian Government as to their willingness to take part in such a Conference.

I am, &c.

(Signed) SALISBURY.

No. 42.

The Marquis of Salisbury to Sir A. Paget.

Sir,

Foreign Office, March 7, 1887.

I INCLOSE, for your Excellency's information, correspondence relating to a suggestion made by the Colonial Office for a Conference of the countries interested in the Sugar question, to discuss the position of the sugar industries, with a view of considering whether any joint action of the sugar-producing countries, or of any of them, could be devised for improving the condition of these industries; and I have to request your Excellency to sound the Austro-Hungarian Government as to their willingness to take part in such a Conference.

I have to add that, on the receipt of the letter from the West India Committee of the 2nd instant, I have requested Her Majesty's Ambassadors at Paris and Berlin to inquire whether any decision has now been arrived at.

It is requested that the inclosed papers may be returned as soon as the state of your Excellency's communications with the Austrian Government will allow.

I am, &c.

(Signed) SALISBURY.

No. 43.

Foreign Office to West India Committee.

Gentlemen,

Foreign Office, March 7, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 2nd instant respecting a proposed International Conference on the sugar industries. In reply, I am to inform you that his Lordship is in correspondence on the subject with certain of Her Majesty's Representatives, and that a further communication will be addressed to you on the receipt of their reports as to the intentions in the matter of the Governments to which they are respectively accredited.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 44.

Viscount Lyons to the Marquis of Salisbury.—(Received March 10.)

My Lord,

Paris, March 9, 1887.

IN pursuance of the instructions conveyed to me by your Lordship's despatch of the 7th instant, I inquired of M. Flourens this afternoon whether any decision had now been come to by the French Government respecting the proposed Conference on the sugar industries.

M. Flourens replied that those of his colleagues whose Departments were chiefly concerned in the question had expressed themselves as favourable to the Conference, but that some of them had not yet sent him their formal written answers. He promised to expedite matters as much as possible, and to make me acquainted with the decision of the French Government in a short time.

I have, &c.

(Signed) LYONS.

* No. 40.

No. 45.

Colonial Office to Foreign Office.—(Received March 10.)

Sir,

Downing Street, March 9, 1887.

I AM directed by Secretary Sir Henry Holland to acknowledge the receipt of your letter of the 18th ultimo, inclosing a copy of a despatch from Her Majesty's Minister at Paris on the subject of the proposed International Conference on the Sugar question.

I am to transmit to you, to be laid before the Marquis of Salisbury, the accompanying copy of a despatch, and its inclosures, from the Governor of Jamaica, and of Sir Henry Holland's reply thereto, in connection with the subject of sugar bounties; and I am to inquire whether any communication has been addressed, or whether it is proposed to address any communication upon these questions, to any other foreign Government besides those of France and Germany.

I am, &c.

(Signed)

EDWARD WINGFIELD.

Inclosure 1 in No. 45.

Governor Sir H. Norman to Colonial Office.

Sir,

King's House, January 21, 1887.

IN continuation of previous communication on the subject, I have the honour to forward to you the inclosed Petition which is addressed to you by the Council of the Jamaica Society of Agriculture and Commerce on the subject of the present system of bounties on beet-root sugar.

2. It will be observed that the request of the petitioners to be allowed, in the event of the system of bounties not being altered, to enter into commercial relations with the Dominion of Canada or the United States, is met in the despatch from Mr. Stanhope of the 1st December last, but I may explain that the communication therein directed to be made to the Legislative Council in reply to their Resolution has not yet been made, as the Council has not been in Session since its receipt.

I have, &c.

(Signed)

H. W. NORMAN.

Inclosure 2 in No. 45.

Memorial.

To the Right Honourable Sir Henry Holland, Her Majesty's Chief Secretary of State for the Colonies.

The humble Memorial of the Council of the Jamaica Society of Agriculture and Commerce,

Sheweth:

THAT the sugar industry in Jamaica, as well as in other British Colonies, has suffered, and is still severely suffering, in consequence of the unfair competition to which it is subjected in the home market, by the admission of the bounty fed sugars of foreign countries.

That the present excessively low prices of sugar in the English market, resulting from the over production caused by foreign export bounties, not only threaten the existence of the staple industry, but seriously affect all the departments of industrial, commercial, and professional activity in this Colony.

That the sugar industry has hitherto contributed, in a pre-eminent degree, to the circulation of money, the diffusion of comfort and competency among a considerable portion of the inhabitants of this Colony, and to the maintenance of the institutions, agencies, and appliances of Civil Government.

That the present condition of Jamaica furnishes a most startling illustration of the paramount importance of the sugar industry. Though Jamaica has a peasant proprietary body numbering upwards of 50,000, and though the Colony has a considerable hen-keeping industry, as well as coffee, pimento, fruit, cacao, ginger, and other products, the depression

[193]

D 2

of the staple industry is felt by all classes and interests. It is the money which is employed in sugar cultivation that goes into freest and readiest circulation, and the Colony is now experiencing the result of the withdrawal from circulation of a great part of this money, and this experience is not confined to the labourers on sugar estates, but is felt by merchants, professional men, artizans, in short, by the entire community.

That your memorialists, in illustration of the disastrous declension which the sugar industry of Jamaica has sustained since 1882, beg respectfully to direct your attention to the following statements.

The value of sugar and rum exported from the island in 1882 was 909,928*l.*; in 1883, it was 777,899*l.*; in 1884, it was 649,058*l.*; in 1885, it was 541,878*l.*; and in 1886, it was 387,335*l.* 13*s.* 3*d.*

The quantity exported during the same years was:—

				Sugar.	Rum.
				Hogsheads.	Puncheons.
1882	..	..	..	38,392	22,742
1883	..	..	..	34,204	20,349
1884	..	..	..	31,419	20,364
1885	..	..	..	27,762	21,991
1886	..	..	..	18,510	14,763

That in the opinion of your memorialists, this serious falling off is due almost entirely to the artificial restriction and unfair competition induced by the foreign export bounty system. The result of this system has been to glut the English market with sugar sold below the cost of production, and very much below the price which it obtains in the countries from which it is exported.

It is hardly necessary to say that, under these circumstances, the colonial producer and the British refiner find it impossible to hold out against the unnatural rates to which prices have been reduced by the operation of such a system.

That your memorialists exceedingly regret that the praiseworthy efforts made since 1862 by successive English Ministries to effect, by means of diplomatic negotiation, the abolition of all State bounties on the export of sugar from foreign countries, have not been attended with the desired success. Your memorialists now beg respectfully to suggest that Her Majesty's Government having failed to accomplish their object by diplomatic agency should have recourse to legitimate fiscal expedient. They beg also respectfully to submit that, if it was not considered improper or inexpedient to reach a desired end by means of diplomatic arrangement, it should not be deemed wrong or inexpedient to attain the same end by means of fiscal enactment.

That the imposition of a countervailing duty would, in the opinion of your memorialists, be a vindication and not a violation of the principles of free trade. It would do away with all artificial bounties or subsidies, making the price of sugar dependent on the natural cost of production, and securing such natural legitimate advantages as are represented by soil, climate, skill, and enterprise.

That in the event of the failure of the sugar producing Colonies to obtain the desired remedy or relief in respect of the abolition or neutralization of export sugar bounties, your memorialists beg that you will use your high influence, and endeavour to obtain for Jamaica leave to enter into such commercial relations with the Dominion of Canada or with the United States as would by a mutual accommodation of fiscal tariffs, and on the principles of enlightened reciprocity, obtain a free, profitable market for her staple products.

Your memorialists earnestly trust that you will favourably regard their representations and prayers, and for this, and such other relief as you shall deem most expedient, they, as in duty bound, will ever pray.

(Signed)

JNO. ORRETT, *President Jamaica Society of Agriculture and Commerce.*

Inclosure 3 in No. 45.

Sir H. Holland to the Officer administering the Government of Jamaica.

Sir,

Downing Street, March 8, 1887.

I HAVE the honour to acknowledge the receipt of Sir Henry Norman's despatch of the 21st January last, inclosing a Petition from the Council of the Jamaica Society of Agriculture and Commerce on the subject of the present system of bounties on beet-root sugar.

You will have the goodness to inform the petitioners that Her Majesty's Government are in communication with foreign Governments on the subject of sugar bounties, but that they are not prepared to propose the imposition of countervailing duties.

With regard to the question of commercial arrangements between West Indian Colonies and the United States or Canada, you should refer the petitioners to the reply directed to be given to the Legislative Council in my predecessor's despatch of the 1st December last.

I have, &c.

(Signed) H. T. HOLLAND.

No. 46.

Sir E. Malet to the Marquis of Salisbury.—(Received March 10, 3.55 P.M.)

(Telegraphic.)

Berlin, March 10, 1887, 3.50 P.M.

SUGAR question.

Despatch of 7th instant received. Information asked for on 3rd of last December not yet supplied.

No. 47.

The Marquis of Salisbury to Sir E. Malet.

Sir,

Foreign Office, March 14, 1887.

I HAVE received your Excellency's telegram of the 10th instant respecting the proposed Sugar Conference, and, in reply, I have to state that the motive for again approaching the German Government on the subject was the statement in the letter from the West India Committee, copy of which is inclosed in my despatch of the 7th instant, that a German Trade Association was in favour of the Conference being held.

Mr. Scott's despatch, to which your Excellency refers, was duly communicated to the Colonial Office, which Department thought it better to await the reply of the French Government before entering upon the additional details as to the scope, &c., of the Conference asked for by the German Government.

I inclose, for your Excellency's information and that of the German Government, should you think fit to communicate its substance to Count Bismarck, a copy of a despatch from Her Majesty's Ambassador at Paris,* stating that the French Government are likely to express themselves favourably towards the proposal for a Conference on the sugar question.

I am, &c.

(Signed) SALISBURY.

No. 48.

Foreign Office to Colonial Office.

Sir,

Foreign Office, March 14, 1887.

WITH reference to your letter of the 9th instant respecting the proposed Sugar Conference, I am directed by the Marquis of Salisbury to request you to state to Secretary Sir Henry Holland that the West India Committee having represented that the feeling in Germany and Austria was favourable to the holding of the Conference, his Lordship thereupon requested Her Majesty's Ambassadors at Paris and Berlin to inquire whether

* No. 44.

the Governments to which they are accredited could give a definite answer on the subject, although in the case of Germany the additional information as to the Conference asked for by the Imperial Government in the despatch inclosed in my letter of the 11th December last has not yet been supplied, Sir Henry Holland having, as stated in your letter of the 21st of that month, decided to await the decision of France in the matter. I am to inclose a copy of the reply received from Viscount Lyons.*

In view of the above-mentioned statement made by the West India Committee, Lord Salisbury has also instructed Her Majesty's Ambassador at Vienna to sound the Austro-Hungarian Government as to their willingness to take part in the Conference.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 49.

Foreign Office to Board of Trade.

Sir,

Foreign Office, March 14, 1887.

WITH reference to my letter of the 18th ultimo, I am directed by the Marquis of Salisbury to transmit to you, to be laid before the Board of Trade, the accompanying copy of a despatch from Her Majesty's Ambassador at Paris respecting the proposed Sugar Conference.*

I am, &c.

(Signed) JAMES FERGUSSON.

No. 50.

Sir A. Paget to the Marquis of Salisbury.—(Received March 18.)

My Lord,

Vienna, March 16, 1887.

WITH reference to your Lordship's despatch of the 7th instant, I have the honour to inform your Lordship that I yesterday spoke to Count Kálnoky on the subject of the sugar bounties, and I inquired of his Excellency whether, in the event of a Conference being proposed to the Powers interested in this question, the Imperial Government would be disposed to take part in it.

His Excellency replied that he, of course, could not give an answer offhand, but that he would lose no time in consulting the competent authorities of the Government. He added that he had some recollection of a similar proposal having been mooted, if he was not mistaken, by the Belgian Government some time ago, and that there had been a general disposition on the part of the Governments concerned to agree to it, though why it had never gone further he could not at that moment remember.

For his Excellency's more complete information I handed him a Memorandum, of which a copy is herewith inclosed, and in which I thought it advisable to mention the nature of the replies received from the Governments of France and Germany.

The inclosures in your Lordship's despatch will be returned to the Foreign Office by the next messenger.

I have, &c.

(Signed) A. PAGET.

Inclosure in No. 50.

Memorandum.

A SUGGESTION, emanating from the Colonial Office, has been made to Her Majesty's Government, that a Conference should take place of the countries interested in the Sugar question, in order that the position of the sugar industries should be discussed, with a view of considering whether any joint action of the sugar-producing countries, or of any of them, could be devised for improving the condition of those industries.

It is therefore desired to sound the Austro-Hungarian Government as to their willingness to take part in such a Conference.

* No. 44.

The German Government expressed on the 2nd December last its readiness to take into consideration the question of its participation in the proposed Conference on the receipt of a formal invitation accompanied by further details as to the objects and scope of such Conference.

The French Government, though unable in the month of February to give a positive official answer as to its readiness to enter into such a Conference, was, as far as the Ministries of Commerce and Agriculture are concerned, disposed to consider the proposal for a Conference favourably.

According to a statement which appeared in a German technical newspaper, "Die Deutsche Zucker Industrie," of the 25th February, 1887, the Sub-Committee of the Committee elected by the Austrian Chamber passed the following Resolution (proposed by Deputy Menzer) unanimously:—

"To take advantage of every opportunity for the bringing about of international negotiations for the abolition of the export bounties."

No. 51.

The Marquis of Salisbury to Sir A. Paget.

Sir,

Foreign Office, March 21, 1887.

I APPROVE the language held by your Excellency in conversation with Count Kálnoky, as reported in your despatch of the 16th instant, upon the subject of the proposed Conference on the Sugar question.

I am, &c.
(Signed) SALISBURY.

No. 52.

*Foreign Office to Colonial Office.**

Sir,

Foreign Office, March 21, 1887.

I AM directed by the Secretary of State for Foreign Affairs to transmit to you, to be laid before Secretary Sir H. Holland, the accompanying copy of a despatch, and its inclosure, from Her Majesty's Ambassador at Vienna,† reporting a conversation with Count Kálnoky upon the subject of the proposed Conference on the Sugar question.

I am to state that the language held by Sir A. Paget has been approved.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 53.

Viscount Lyons to the Marquis of Salisbury.—(Received March 30.)

My Lord,

Paris, March 29, 1887.

WITH reference to my despatch of the 9th instant, and to previous correspondence with regard to the proposed International Conference respecting the Sugar question, I have the honour to transmit to your Lordship a copy of a Memorandum on the subject which was sent to me last evening by M. Flourens.

It states that the French Government is disposed in principle to regard the establishment of an international understanding on the sugar question as desirable, but on condition that the understanding shall extend to all the countries interested. It adds that, accordingly, it is not until it is acquainted with the intentions of those countries that it can give a definitive answer on the subject of taking part itself in a Conference.

I have, &c.
(Signed) LYONS.

* Also to Board of Trade.

† No. 50.

Inclosure in No. 53.

Memorandum.

PAR une note remise le 5 Janvier dernier, l'Ambassade d'Angleterre à Paris a exprimé le désir d'être renseignée sur l'accueil que le Gouvernement de la République croirait pouvoir faire, en ce qui le concerne, à une proposition tendant à réunir une Conférence, à laquelle prendraient part les États intéressés dans la question des sucres, en vue d'examiner si la situation actuelle de l'industrie sucrière pouvait être améliorée au moyen d'une action commune des pays producteurs de sucre, ou de quelques-uns d'entre eux.

Le Gouvernement Français serait disposé, en principe, à envisager comme désirable l'établissement d'une entente internationale sur le régime des sucres, mais à la condition qu'elle s'étendrait à tous les pays intéressés. Ce ne serait donc qu'après avoir été fixé sur les intentions de ces différents États que le Gouvernement de la République pourrait répondre d'une manière définitive au sujet de sa participation à une Conférence.

*Ministère des Affaires Étrangères, Paris,
le 28 Mars, 1887.*

(Translation.)

BY a note communicated on the 5th January last, the English Ambassador at Paris expressed a wish to be informed of the answer which the Government of the Republic might feel disposed to give, so far as France was concerned, to a proposal to summon a Conference of the Powers interested in the Sugar question, with a view of ascertaining whether the present condition of the sugar industry could be improved by action taken in common by the sugar-producing countries, or by some of them.

The French Government is disposed to look upon the establishment of an international agreement on the Sugar question as desirable, provided such agreement embraced all the countries interested. The Government of the Republic could not, therefore, give a definite reply as to its participation in a Conference until it has been informed of the intentions of the countries in question.

*Ministry of Foreign Affairs, Paris,
March 28, 1887.*

No. 54.

Sir E. Malet to the Marquis of Salisbury.—(Received March 31.)

My Lord,

Berlin, March 29, 1887.

I HAVE the honour to inclose Mr. Scott's Memorandum on the chief points of interest in the debate which took place last week in the Reichstag on the sugar bounties question.

I have, &c.

(Signed) EDWARD B. MALET.

Inclosure in No. 54.

*Memorandum on the Discussion of the Sugar Tax and Bounty Question in the Reichstag
of March 23, 1887.*

THE points of chief importance in this discussion appear to be:—

1. That the German Government has been brought to admit that the provisions of the last sugar tax law—though not yet a year old—are now quite inadequate to secure the object for which they were designed, and that, consequently, a new measure is being already drafted.

This new Bill will apparently provide for a more thorough reform of the rates of tax and drawbacks, so as to obviate the losses caused to the Imperial Treasury by the increasing bounties which the manufacturers are obtaining contrary to the intention of the Legislature.

2. The whole tone of the debate shows, moreover, that the idea of abandoning the

present system of taxing the sugar industry is gaining fresh converts each day, even in quarters where such a conversion was least to be expected.

3. Herr von Benningsen's speech is specially deserving of attention, as he leads the party of Moderate Liberals, whose support the Government is particularly anxious to secure for their economical policy. His hesitation to go so far as to advocate a complete substitution of a tax on finished products ("fabrikat steuer") for the present tax on raw material ("material steuer") is based on apparently strong ground, that it would deprive the industry of a salutary incentive to improving the scientific processes of extraction.

The alternative which he suggests—a tax, half on the raw material and half on the finished product—is also worthy of attention.

If I am not mistaken, it is a comparatively new suggestion, and one which has not yet been seriously examined by the experts. If practicable, it would go far towards reducing the bounties to a minimum, and might serve as the thin end of the wedge for the eventual introduction of a ("fabrikat steuer") tax on the finished product; for it is to be presumed that there is somewhere a maximum limit which the science of extraction cannot surpass, and which at its present rate of progress cannot now be very far off.

4. It will be seen that the Government Representative, Herr Jacoby, is not yet able to make any statement in regard to the present stage of the overtures for an international discussion of the bounty question. The German Government is evidently expecting to receive a formal invitation from Her Majesty's Government to join in such a Conference, and the indication of the base and scope of its discussions which it has asked for.

Meanwhile, it may be fairly inferred from the tone of Herr Jacoby's speech that the German Government is at present not averse to the general idea of a Conference, although entertaining no very sanguine expectations of the feasibility of giving effect to any decisions at which it may arrive without prejudice to some of the interests involved in the question.

His statement, that the Government would be guided by the principle of guaranteeing to the Imperial Treasury its due revenue from the tax without inflicting injustice on the industry concerned, may possibly indicate that he had some such scheme as Herr von Beningsen's combined tax in his mind.

(Signed)

CHARLES S. SCOTT.

Berlin, March 28, 1887.

[Forwarded to Board of Trade, April 1.]

No. 55.

The Marquis of Salisbury to Sir A. Paget.

Sir,

Foreign Office, March 31, 1887.

WITH reference to your Excellency's despatch of the 16th instant, I have to state that Her Majesty's Government are anxious to know the views of the Austro-Hungarian Government with respect to the proposed Sugar Conference as soon as possible, and I have therefore to request your Excellency to take such steps as you may think desirable in order to obtain an early reply on this subject.

I am, &c.

(Signed)

SALISBURY.

No. 56.

*Foreign Office to Colonial Office.**

Sir,

Foreign Office, March 31, 1887.

WITH reference to my letter of the 14th instant, I am directed by the Marquis of Salisbury to transmit to you, to be laid before Secretary Sir Henry Holland, the accompanying copy of a despatch from Her Majesty's Ambassador at Paris, forwarding a copy of a note from the French Minister for Foreign Affairs relative to the proposed Conference on the sugar question,† from which it will be seen that the French Government wish to know the intentions of other Governments before they give a definite answer whether they will take part in the Conference.

I am to add that the reply of the Austro-Hungarian Government on this subject is

* Also to Board of Trade.

† No. 53.

still awaited, and that Her Majesty's Ambassador at Vienna has been requested to endeavour to obtain their answer as soon as possible.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 57.

Sir A. Paget to the Marquis of Salisbury.—(Received April 6.)

My Lord,

Vienna, April 3, 1887.

I HAVE the honour to acknowledge the receipt of your Lordship's despatch of the 31st ultimo, and to state that I at once addressed a private letter to M. de Szögyényi, the Secretary-General at the Ministry for Foreign Affairs, requesting his Excellency to have the goodness to cause me to be informed as soon as possible of the reply of the Imperial Government relative to the proposed Conference on the Sugar question.

I have, &c.
(Signed) A. PAGET.

No. 58.

Sir A. Paget to the Marquis of Salisbury.—(Received April 6.)

My Lord,

Vienna, April 4, 1887.

WITH reference to my despatch of yesterday's date, I have the honour to inform your Lordship that I have received a reply from M. de Szögyenyi to the private note I addressed to his Excellency, requesting an early answer respecting the proposed Sugar Conference, in which he states that he has again written to the Ministry of Commerce on this subject, but that he hardly expects a final decision can be taken before a fortnight or three weeks.

I have, &c.
(Signed) A. PAGET.

No. 59.

*Foreign Office to Colonial Office.**

Sir,

Foreign Office, April 7, 1887.

WITH reference to my letter of the 31st ultimo, I am directed by the Marquis of Salisbury to state, for the information of Secretary Sir Henry Holland, that Her Majesty's Ambassador at Vienna has reported (writing on the 4th instant) that the final decision of the Austro-Hungarian Government respecting the proposed Sugar Conference is not likely to be taken for a fortnight or three weeks.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 60.

Colonial Office to Foreign Office.—(Received April 9.)

Sir,

Downing Street, April 7, 1887.

I AM directed by Secretary Sir Henry Holland to acknowledge the receipt of your letters of the 14th, 21st, and 31st March on the subject of the proposed International Conference on the Sugar question.

In reply, I am to suggest, for the consideration of the Marquis of Salisbury, whether, if the answer of the Austrian Government is as favourable as that of France and Germany, steps may not be taken to make formal proposals for a Conference to all the Governments

* Also to Board of Trade.

concerned, or whether informal inquiries should first be addressed to any other Government.

I am, &c.
(Signed) EDWARD WINGFIELD.

No. 61.

Foreign Office to Colonial Office.

Sir,

Foreign Office, April 13, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 7th instant relative to the further steps to be taken with respect to the proposed Conference on the Sugar question.

You will have learnt from my letter of the same date that the reply of the Austrian Government may be expected to be given in about a fortnight or three weeks from the 4th of this month. I am accordingly to suggest that you should move Secretary Sir Henry Holland to cause a statement as to the objects and scope of the Conference, to meet the inquiry of the German Government, to be prepared in concert with the Board of Trade. I am also directed further to suggest that in this communication with the Board of Trade the opinion of that Department (as the Department which advises Her Majesty's Government in this matter) should be obtained whether, in the event of the reply of the Austrian Government being favourable, a formal proposal to the Powers concerned for holding the Conference should then be made, and, likewise, the precise terms of such invitation, and the particular Powers to which it should be addressed.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 62.

Mr. Phipps to the Marquis of Salisbury.—(Received April 26.)

My Lord,

Vienna, April 24, 1887.

WITH reference to Sir Augustus Paget's despatch of the 4th instant, I have the honour to inclose a translation of a *note verbale* which was placed in my hands to-day by M. Szögyényi, the Under-Secretary for Foreign Affairs, in which the readiness of the Austro-Hungarian Government to take part in a Conference upon the question of the sugar bounties and on the general question of the sugar industry is expressed.

The Imperial and Royal Government further desires to be informed, as soon as possible, with regard to the bases and scope of the proposed negotiations, and when and how the Conference will be called together.

The *note verbale* had referred to the proposed Conference as being one to be convoked by Her Majesty's Government, but, on my informing M. de Szögyényi that it did not as yet appear that Great Britain contemplated issuing invitations or proposing a Conference, such reference was eliminated from the document inclosed.

I have, &c.
(Signed) E. C. H. PHIPPS.

Inclosure in No. 62.

Note Verbale.

(Translation.)

THE Austro-Hungarian Government is quite ready to take part in an International Conference, which should have for its object the examination of proposals for the improvement of the condition of the sugar industry, and which, with this end in view, should also consider the question of the abolition of the sugar bounties.

It would be desirable to obtain in good time more detailed information with respect to the object and bases of its proceedings, and also to be informed of the date at which the official invitation to the Conference will be issued, and at which the Conference itself will be convoked.

Vienna, April 20, 1887.

No. 63.

*The Marquis of Salisbury to Viscount Lyons.**

My Lord,

Foreign Office, April 28, 1887.

WITH reference to your Excellency's despatch of the 29th ultimo, I have to inform you that the Austro-Hungarian Government have expressed their readiness to take part in a Conference upon the Sugar question, but have asked for information as to the bases and scope of the proposed negotiations, and when and how the Conference will be called together.

I have requested the Secretary of State for the Colonies to prepare, in concert with the Board of Trade, a statement as to the objects and scope of the proposed Conference, and also to obtain the opinion of the Board whether a formal proposal for holding the Conference should now be made by Her Majesty's Government to the Powers concerned, and if so, to settle the precise terms of such invitation, and the particular Powers to which it should be addressed.

I am, &c.
(Signed) SALISBURY.

No. 64.

Foreign Office to Colonial Office.

Sir,

Foreign Office, April 28, 1887.

WITH reference to my letter of the 13th instant, I am directed by the Marquis of Salisbury to transmit to you a copy of a despatch from Mr. Phipps, Her Majesty's Chargé d'Affaires at Vienna,† inclosing a translation of a *note verbale*, from which it will be seen that the Austro-Hungarian Government are prepared to take part in a Conference on the Sugar question, but desire to be informed as soon as possible of the bases and scope of the proposed negotiations.

I am to request that, in laying these papers before Secretary Sir Henry Holland, you will move him to cause early attention to be given to the suggestions contained in my letter of the 13th instant.

Copies of Mr. Phipps' despatch and its inclosures and of my letter of the 13th instant have been communicated to the Board of Trade.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 65.

Foreign Office to Board of Trade.

Sir,

Foreign Office, April 28, 1887.

WITH reference to previous correspondence on the subject of the proposed Sugar Conference, I am directed by the Marquis of Salisbury to transmit to you, to be laid before the Board of Trade, copies of further correspondence on the Sugar question, as noted in the margin.‡

The Board of Trade will learn from Mr. Phipps' despatch, forwarded herewith, that the Austro-Hungarian Government are ready to take part in the proposed Conference, but desire to be informed as soon as possible as to the bases and scope of the proposed negotiations; and I am to request you to move the Board to give their early attention to the suggestions contained in my letter to the Colonial Office of the 13th instant.

Copies of Mr. Phipps' despatch and of its inclosure have been communicated to the Colonial Office.

I am, &c.
(Signed) JAMES FERGUSSON.

* Also to Mr. Scott.

† No. 62 and Inclosure.

‡ Nos. 60, 61, and 62.

Sir E. Malet to the Marquis of Salisbury.—(Received May 23.)

My Lord,

Berlin, May 18, 1887.

WITH reference to my despatch of the 29th March and to previous Reports on the subject of the German sugar bounties, I have now the honour to transmit herewith a Memorandum prepared for me by Mr. Scott, Her Majesty's Secretary of Embassy, giving the chief details of a Bill which has just been submitted to the Federal Council, with the object of reforming the present rates of the sugar tax and drawbacks as fixed by the legislation of 1886.

The Bill is at present only in draft form, and may possibly be somewhat modified before it finally becomes law.

I have, &c.

(Signed)

EDWARD B. MALET.

Inclosure in No. 66.

Memorandum.

A DRAFT Bill for the reform of the present duties and tax on sugar has just been submitted for the consideration of the Federal Government in the Bundesrath.

The following analysis will explain its chief features; but it must be borne in mind that the Bill is at present only in draft form, and may undergo modifications during its passage through the Bundesrath and Reichstag.

It is proposed to put the new measure into effect on the 1st August, 1888.

The existing duties on foreign sugars are to be raised—

1. On *syrup and molasses*, to 15 marks per 100 kilog.
2. On *all other sugars*, to 30 marks per 100 kilog.

Molasses for distillery purposes to be admitted under control free of duty.

Foreign sugar imported for the purpose of being worked up in a German refinery may, by special permission of the Federal Council, be admitted at the lower duties of—

1. 5 marks per 100 kilog.
2. 20 marks per 100 kilog.

Or may be temporarily admitted free of duty, and the finished product subjected to a consumption tax.

German beet-root sugar to be subjected to a double tax :—

1. The existing raw material tax on roots reduced to 1 mark per 100 kilog.
2. To a consumption tax of 10 marks per 100 kilog. of all sugar refined for home consumption and extracted from syrup or molasses.

Syrup and molasses, as such, to be exempted from this latter tax.

The drawbacks on export of sugar in quantities of 500 kilog. and upwards to be fixed on the assumption of an average sugar yield of the roots of 10 : 1.

Thus :—

1. On raw sugar of at least 90 per cent. polarization, and on refined sugar under 98 and above 90 per cent. polarization, a drawback of 10 marks per 100 kilog.

2. On candies, sugars in white, full hard loaves, blocks, plates, bars, or cubes, or crushed in the presence of a Customs official, and on other sugars of at least 93½ per cent. polarization, to be designated by the Federal Council, a drawback from the 1st to 31st August 1888, of 21·50 marks per 100 kilog.; from the 1st September, 1888, a drawback of 12·50 marks per 100 kilog.

3. On all other hard sugars (not containing more than 1 per cent. of water) in crystals, granulated or powdered, of at least 98 per cent. polarization, and not included under drawback 2 : from the 1st to 31st August, 1888, a drawback of 20·15 marks per 100 kilog.; after the 1st September, 1888, 11·70 marks per 100 kilog.

Sugars produced before the Customs authorities prior to the 1st August and 1st September, 1888, and the identity of which can be established up to the date of their export or deposit in a bonded warehouse, may receive the higher rates of drawback under (2) up to the 1st October, 1888; under (3) up to the 1st November, 1888.

The Bill contains further provisions establishing a control of the sugar mills by the tax authorities, and a similar control over the sugar produced and refined, and penal provisions for cases of infringement of the law,

These provisions will be considered in a further Memorandum, when the Bill has reached its final stage.

A Statement setting forth the arguments in favour of this reform is annexed to the draft Bill.

A reform of the present system of taxing the German sugar industry has been rendered imperative in fiscal interests by the recent and rapid increase in the sugar yield of the roots.

The object of the Imperial Executive is to secure a certain revenue of at least 50,000,000 marks from the tax. Keeping to the present system, this could only be done by raising the root tax to 2 marks per 100 kilog., and reducing the drawbacks to rates corresponding with the actual sugar yield of 1886-87, i.e., a proportion of roots to sugar of 8.50 : 1.

This would, however, be to mulct the majority of sugar mills, even in good years, with a considerable loss on the tax actually paid, would impede production, and cause serious injury to important interests.

The other alternative of abandoning altogether the system of taxing raw material, and imposing the tax on finished products, would be to finally break with a system to which the German producers owe their great advance in the science of extracting sugar; and for other reasons it appears to the Imperial Executive for the present impracticable and inexpedient.

They have decided, accordingly, to recommend a combination of the two taxes.

The Bill proposes to reduce the present tax on roots by 41 per cent. and the drawbacks by 42 per cent. In fixing the latter they have assumed an average sugar yield in the roots of 10 : 1, in accordance with the following statistics, which have undergone some correction since the date of the Expert Commission in 1883:—

Year.	Quantity of Roots used.	Sugar Yield in Raw Sugar.			Average quantity of Roots per kilog. of Raw Sugar.	
		In Sugar Mills.	In Molasses Mills not using Roots.	Total, 3 and 4.	In Mills working Roots only.	In Sugar and Molasses Mills together.
1.	2.	3.	4.			
	100 kilog.	100 kilog.	100 kilog.	100 kilog.		
1876-77	35,500,366	2,894,227	15,000	2,909,227	12.27	12.20
1877-78	40,909,680	3,780,091	25,000	3,805,091	10.82	10.74
1878-79	46,287,477	4,261,551	40,000	4,301,551	10.86	10.76
1879-80	48,052,615	4,094,152	60,000	4,154,152	11.74	11.57
1880-81	63,222,030	5,559,151	75,000	5,634,151	11.37	11.22
1881-82	62,719,479	5,997,222	85,000	6,082,222	10.46	10.31
1882-83	87,471,537	8,319,953	125,000	8,444,953	10.51	10.36
1883-84	89,181,303	9,401,093	205,000	9,606,093	9.49	9.28
1884-85	104,026,883	11,230,303	237,000	11,467,303	9.26	9.07
1885-86	70,703,168	8,081,049	300,000	8,381,049	8.75	8.44
	648,074,538	63,618,792	1,167,000	64,785,792	..	..
Average of 10 years ..	64,807,454	6,361,879	116,700	6,478,579	10.19	10.00
Average of last 5 years 1881-86	82,820,474	8,605,924	190,000	8,796,324	9.62	9.42

It is admitted that the proportion of 10 : 1 is taking too low an estimate of the present actual sugar yield of the average roots, but the following are some of the considerations which, in the opinion of the framers of the Bill, justify them in not taking a higher estimate as basis for the drawbacks:—

The exceptionally favourable weather of 1885-86 and 1886-87, to which the high average obtained in the last five years is greatly due.

The necessity of protecting against unfair loss the large number of producers drawing their roots from relatively inferior soils, and the total industry in unfavourable seasons.

The low level of the present prices of sugar.

The sharp competition of other sugar-producing countries, protected, like France, by very large export bounties.

These considerations counterbalance, in the opinion of the framers of the Bill, the arguments against leaving a decided export bounty in the new rates of drawback, which must entail a very undesirable loss in revenue on the Imperial Exchequer. They point

out that the proposed reductions in the rate of tax and drawback to 1 mark and 10 marks will sensibly diminish the amount of such bounty, but that the advantages which the revenue would have gained by its total extinction are not proportionate to the injury which would have been inflicted on the sugar industry, agricultural interests, and general well-being of the country by fixing the drawbacks on a more accurate calculation.

In calculating the financial results of the proposed new tax on consumption, the proportion of raw sugar to refined is taken at 100 : 90.

The cost of collection and control is estimated at about 7,000,000 marks.

The following general estimate of the annual revenue, anticipated from the combined root and sugar tax, is thus arrived at:—

Judging from the Returns of the last five years (see above), the quantity of roots which will be used next season is estimated at 85,000,000 metrocentners.

In order not to assume a too high yield of the raw material tax, the sugar yield of the roots is estimated at:—(A) 8·50 : 1 ; (B) 8·00 : 1.

The annual yield of raw sugar at 10,000,000 or 10,625,000 metrocentners.

The home consumption is estimated at 4,000,000 metrocentners in raw sugar, leaving 6,000,000 or 6,625,000 metrocentners for export.

Taking (A) sugar yield of roots 8·50 : 1 we get:—

	Marks.	Marks.
I. From root tax at 1 mark .. .. .	.. .. .	85,000,000
1. Deduct drawbacks on raw sugar, at 10 marks	45,450,000	
2. On refined first class, 1,111,860 metrocentners, at 12·50 marks	13,898,250	
3. On 197,640 metrocentners, second class, at 11·70 marks	2,312,388	
	<hr/>	61,660,638
Total from root tax .. .. .	.. .. .	23,339,362
II. Tax on home consumption of 3,600,000 metrocentners of refined sugar, at 10 marks .. .. .	.. .. .	36,000,000
	<hr/>	59,339,362
Deduct cost of collection and control .. .. .	.. .. .	7,000,000
	<hr/>	
Net yield .. .. .	.. .. .	52,339,362

(B.) Assuming the actual yield of the root to be 8 : 1, the same calculation would give:—

	Marks.
Revenue from root tax, after deducting drawbacks	16,916,389
Consumption tax	36,000,000
	<hr/>
Total	52,916,000
Deduct cost of collection, &c.	7,000,000
	<hr/>
Total annual revenue	45,916,000

The Memorandum explains that it has been found impossible to propose an earlier date for giving effect to this reform than the 1st August, 1888, much as the Executive would have preferred to recommend its adoption for the coming season.

The proposed control and introduction of a consumption tax will necessitate arrangements which require much time to complete. The producers have already made arrangements for next season, and it was only on the 23rd March of the present year that the Government was in a position to officially announce its intention to revise the legislation of 1886.

The Memorandum further alludes to the import of foreign sugar into Germany, which it describes as unimportant, not exceeding, according to the latest Returns, 12,000 metrocentners 1st class sugar, and 20,000 to 25,000 metrocentners 2nd class sugar.

The preceding remarks are confined to those portions of the Bill and Memorandum which appear to have any direct importance for English interests likely to be affected by the proposed reform.

(Signed) CHARLES S. SCOTT.

Berlin, May 18, 1887.

[Sent to Board of Trade, May 25.]

Sir E. Malet to the Marquis of Salisbury.—(Received May 30.)

My Lord,

Berlin, May 27, 1887.

WITH reference to my despatch of the 18th instant, I have the honour to transmit herewith a further Memorandum by Mr. Scott, reporting on the latest progress of the Sugar Tax Bill through the German Legislature and on a speech in the Reichstag by the Secretary to the Treasury, in the course of which he spoke with favour of the idea of an international arrangement to abolish all sugar bounties, and said that the German Government was always ready to co-operate in any attempts to do away with them, provided that the other Powers interested in the matter would also join.

He observed that the Government had replied to proposals on this subject, that they were quite prepared to consider the question as soon as a programme had been drawn up for the international deliberation, and the attitude of other Powers had been ascertained.

I have, &c.

(Signed) EDWARD B. MALET.

Inclosure in No. 67.

Memorandum respecting further progress of Bill for reforming Sugar Tax in Germany.

THE Bill reported on in my Memorandum of the 18th May has now passed through the Federal Council, where it underwent two slight modifications, and has gone before the Reichstag, where, after one day's discussion on the first reading, it has now been sent into Committee.

The modifications introduced by the Federal Governments are—

1. *Duties on Foreign Sugar.*—Omission of clause admitting at reduced rates sugar to be worked up in Germany; the clause empowering the Federal Council to exempt such sugar from the consumption tax is retained.

2. *Drawbacks.*—The clause prolonging the higher rates of drawback from the 1st August to the 31st August, 1888, is struck out of the Bill.

The Bill in its present form is supplemented by further statistical information, from which I extract the following, showing the variations between the estimated and actual yields of the root-tax in the last six years:—

Year.	Actual yield of Tax.	Yield as Estimated in Budget.	Variation between Actual and Estimated Yields.	
			More.	Less.
	Marks.	Marks.	Marks.	Marks.
1880-81	28,046,473·10	46,780,700	..	18,734,226·00
1881-82*	70,680,878·81	49,553,000	21,127,878	..
1882-83	46,144,143·33	47,421,460	..	1,277,316·67
1883-84	37,774,456·35	44,443,780	..	6,669,323·65
1884-85	32,410,582·29	46,865,000	..	14,454,417·71
1885-86	18,072,743·15	38,263,000	..	20,190,256·85

In the Reichstag the chief objections to the Bill have been directed against the assessment of the drawbacks on so low a proportionate sugar yield in the roots as 1 : 10, and the adjournment of the date at which the new rates are to come into force to so late as the 1st August, 1888.

Herr Jacobi, the Secretary to the Treasury, met these objections with his former arguments. In the course of his speech he said that the public had very fairly assumed the proposed reform to be essentially temporary in its nature, and preparatory to an eventual substitution of a tax on manufactured sugar for the present tax on roots, but in the meantime, the Government could not at present possibly go further than they now proposed in the direction of reducing the export bounties without seriously endangering vital interests of the German sugar industry.

The bounties which the new rates would still give were infinitely less than those given

* Date for payments on drawback certificates prolonged for three months from August 1, 1881; otherwise, under old dates, a sum of at least 33,000,000 marks would have had to be paid out in drawbacks in 1881-82.

by France and other sugar-producing countries, and they could not leave the German industry unprotected against such a competition.

He could not agree with one of the critics of the Bill, that it would be far better to abolish the tax on roots at once and altogether, raise revenue from a consumption tax, and give the German export the necessary protection by direct and unveiled bounties.

Alluding to the question of an International Conference, Herr Jacobi said he would not question the expediency of coming to an international understanding to abolish all export bounties on sugar, but he seemed doubtful whether such an understanding could be come to at any rate very shortly.

The German Government, he said, had been approached on this subject, and had expressed readiness in reply to take the participation of Germany in such negotiations into serious consideration so soon as a programme had been fixed on and the attitude of other Governments ascertained.

The German Government would always be prepared to co-operate in every attempt to abolish sugar bounties, provided the remaining Powers interested were equally prepared to join.

No doubt any Agreement arrived at in this way must, if it was to be effective, impose large obligations on the individual States, and it had been very fairly argued that in order to be effective such an Agreement must bind the Governments by Treaty to levy the tax solely on home consumption, exempting the whole sugar export from tax and drawback alike.

For the present, however, the Government had only the internal situation to consider, and could not adjourn the necessary reform on the chance of a possible future international arrangement.

The date for the introduction of the new rates could not possibly have been made an earlier one without inflicting serious loss on the whole trade, which had already made engagements on the faith of the present law.

The "Norddeutsche Zeitung" of yesterday gives the text of a Resolution passed by a very large majority at a general meeting of the German Sugar Industry Union.

The substance of this Resolution is—

1. An explanation of the loss the trade would suffer if the reform were introduced at an earlier date than the 1st August, 1888.

2. To record their firm conviction that the recent large increase in the sugar yield of the beet-root is principally due to the very favourable weather of the last seasons, and is therefore a quite exceptional symptom.

3. That drawbacks fixed on a higher sugar proportion than 1 : 10 would inflict a very serious injury on the whole industry, and that it would be preferable in that case to have only a tax on consumption.

4. That they are opposed in principle to all bounties, but that in the teeth of formidable competition due to the high export bounties of other countries, the whole of the German export, and with it the prosperity of the German sugar industry, would be exposed to the utmost peril if it were not protected by the State.

The "Vossische Zeitung" a few days ago pointed out the additional loss which the German Exchequer incurred by the present drawbacks actually giving a higher export bounty to refined sugar than it had received under the old rates.

(Signed) CHARLES S. SCOTT.

Berlin, May 27, 1887.

No. 68.

Foreign Office to Colonial Office.

Sir,

Foreign Office, June 2, 1887.

WITH reference to previous correspondence on the subject of the proposed Conference on the Sugar question, I am directed by the Marquis of Salisbury to transmit to you, for Secretary Sir Henry Holland's perusal, the accompanying despatch, with its inclosure, from Her Majesty's Ambassador at Berlin,* reporting the observations made in the German Reichstag by the Secretary to the German Treasury during the progress of the Sugar Tax Bill on the proposed Conference on the sugar question.

I am, &c.

(Signed) T. V. LISTER.

* No. 67.

[193]

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No. 69.

Colonial Office to Foreign Office.—(Received June 13.)

Sir,

Downing Street, June 13, 1887.

I AM directed by Secretary Sir Henry Holland to acknowledge the receipt of your letter of the 2nd instant, and to return the original despatch from Her Majesty's Ambassador at Berlin, respecting the attitude of the German Government on the subject of the sugar industry.

A copy has been communicated to the Board of Trade.

I am, &c.

(Signed)

EDWARD WINGFIELD.

No. 70.

Foreign Office to Board of Trade.

Sir,

Foreign Office, June 15, 1887.

BARON PLESSSEN called at this Office on the 11th instant, and observed that in October last Her Majesty's Ambassador had informed the Imperial German Government confidentially that the Colonial Office had suggested that an International Conference should be held for the consideration of the sugar question, for the purpose of seeing whether a common action of the sugar-producing countries could not be brought about in order to ameliorate the state of the sugar industry.

Sir E. Malet, Baron Plessen said, had asked whether eventually the Imperial Government would be prepared to participate in such a Conference, and he was informed, in reply, that the Imperial Government, in the event of their receiving an invitation, accompanied by details on the subject, and the bases of deliberation, would be prepared to take into consideration the question of their joining such a Conference.

The Imperial Government had not, however, heard anything more on the subject since then, and they would be glad to know the result of the initiatory steps taken by Her Majesty's Government, and what further steps they propose to take in the matter.

I am directed by the Marquis of Salisbury to request that you will lay this letter before the Board of Trade, and move them to inform his Lordship what answer should be returned to Baron Plessen's inquiries.

I am, &c.

(Signed)

JAMES FERGUSON.

No. 71.

Sir W. Stuart to the Marquis of Salisbury.—(Received June 20.)

(Extract.)

The Hague, June 19, 1887.

IN the course of a conversation which I had two days ago with M. de Karnebeek, he took occasion to mention that he had understood that Her Majesty's Government had entered into preliminary negotiations with the French and German Governments with a view to the convocation of a Conference upon the Sugar question, and that Her Majesty's Government were preparing a programme to serve as a basis for the deliberations of such a Conference.

His Excellency then proceeded to say that in view of the great importance of the sugar industry to the Netherlands, both at home and as a large sugar-producing colonial Power, he should have wished that the Netherlands Government could have been taken into the counsels of Her Majesty's Government to the same extent as the Governments of France and of Germany before the programme for the Conference was submitted to the other Powers interested in the Sugar question, and he urgently requested me to bring his wish in the matter to your Lordship's knowledge.

It would therefore be gratifying to M. de Karnebeek if your Lordship should feel disposed to make the same overtures to him which have been made to the French and German Governments, and to invite the co-operation of the Netherlands Government for

the purpose of arriving at a friendly understanding with them as to the objects to be arrived at by the Conference.

No. 72

Foreign Office to Board of Trade.

Sir,

Foreign Office, June 22, 1887.

WITH reference to your letter of the 17th instant, I am directed by the Marquis of Salisbury to transmit to you a despatch from Her Majesty's Minister at the Hague relative to the desire of the Netherlands Government to take part in the preliminary negotiations with respect to the proposed Conference on the Sugar question.*

I am to request that in laying this despatch before the Board of Trade you will move them to take it into their early consideration, and to favour Lord Salisbury with their opinion as to the answer which Sir William Stuart should make to the Netherlands Minister for Foreign Affairs on the subject.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 73.

Board of Trade to Foreign Office.—(Received June 28.)

Sir,

Board of Trade, London, June 27, 1887.

IN reply to your letter of the 22nd instant, inclosing a despatch from Her Majesty's Minister at the Hague relative to the desire of the Netherlands Government to take part in the preliminary negotiations respecting a Conference on the sugar bounties, I am directed by the Board of Trade to suggest that the general tenour of the answer to the Netherlands Government should be to the following effect:

As yet no negotiations in the full sense of the word have taken place on the subject.

A Conference on sugar bounties having been suggested in connection with the British Colonial interests concerned in the production of sugar, Her Majesty's Government endeavoured to ascertain in the first instance the disposition of the Governments of the leading sugar-producing countries of the Continent before proceeding further in the matter. In the event of a Conference taking place, the question of bounties on the refining of sugar would, no doubt, have to be considered along with bounties on production, but, primarily, the inquiries had reference to bounties on production.

Her Majesty's Government understand that it is chiefly as regards the refining of sugar that the Netherlands Government has been concerned in past negotiations, but they gladly recognize that in another way the interest of that Government, as the possessor of Colonies where sugar is largely produced, and whose industry suffers from the bounties given by European Governments, is largely identical with their own, and in any further preliminaries, as well as in the subsequent negotiations, would most cordially welcome the assistance of the Netherlands Government if that Government should see fit to give it.

The Governments of Germany, France, and Austria have all shown some willingness to receive proposals for a Conference if the bases are such as they can approve, but the preliminary inquiries have not gone beyond this.

Up to the present, no draft of proposed bases for a Conference has been submitted formally or informally to any Government, and if the Netherlands Government have any suggestions to make, Her Majesty's Government would be happy to receive them. In any case, before submitting any formal proposals, they would propose to consult the Netherlands Government on the subject.

I have, &c.
(Signed) HENRY G. CALCRAFT.

No. 74.

The Marquis of Salisbury to Sir W. Stuart.

Sir,

Foreign Office, June 30, 1887.

I FORWARDED to the Board of Trade your despatch of the 19th instant, and I now transmit a copy of the letter which has been received from that Department in reply,* the substance of which you may communicate to M. de Karnebeek.

I am, &c.

(Signed) SALISBURY.

No. 75.

Board of Trade to Foreign Office.—(Received July 2.)

Sir,

Board of Trade, London, July 1, 1887.

WITH reference to your letter of the 28th April, which has meanwhile been the subject of various communications between the Foreign Office, the Colonial Office, and the Board of Trade, I am now directed by the Board of Trade to transmit to you, for submission to the Marquis of Salisbury, the following suggestions of a basis for the proposed Conference on sugar bounties, which the Board of Trade understand have been substantially approved by the different Departments of the Government, viz. :—

1. What steps, if any, can be taken for the removal of causes of disturbance of the sugar-producing and refining industry, so far as they are due to the action of Governments;
2. Whether it would be practicable for the various Governments to agree to manufacture and refine sugar in bond; or
3. Whether a common system can be agreed upon for correlating duties and drawbacks according to the various methods of levying duties on the roots, canes, juice, &c., so that one system of correlation shall be the equivalent of the other?
4. And, generally, to discuss any proposals with the object of inducing all Governments to give up bounties which are costly and unprofitable.

It would be desirable that the whole of the countries interested should be brought into any agreement if effectual measures are to be taken to put an end to bounties.

I have, &c.

(Signed) HENRY G. CALCRAFT.

No. 76.

Circular addressed to Her Majesty's Representatives in Austria, France, Germany, Belgium, Netherlands, Italy, United States, Russia, Spain, Brazil, Norway and Sweden, Denmark, and Portugal.

My Lord,

Sir,

Foreign Office, July 2, 1887.

YOU are aware that in consequence of the recommendation made in 1880 by the Select Committee of the House of Commons on Sugar Industries, "that Her Majesty's Government should invite the sugar-producing Powers to a Conference, with a view of arriving at a common understanding for the suppression of bounties on the basis of manufacturing and refining under excise supervision, the question of equivalents for this system not being precluded from consideration," an invitation was addressed to the Governments of Austria, Belgium, France, Germany, and Holland, inviting them to take part in an International Conference for the purpose of considering the Sugar question, with a view, if possible, so to arrange the collection of duties as to avoid or reduce to the lowest possible limits anything in the nature of a bounty on exported sugar. The proposal, however, of Her Majesty's Government was not favourably entertained by the Governments of the countries interested in the question, and although four years later, in 1885, the Government of Belgium endeavoured to promote a Conference to improve the condition of the sugar interests, their efforts were also unsuccessful, and no action has since been taken in the direction of convoking an International Conference upon the Sugar question.

The questions, however, affecting the sugar industry in 1887 remain practically what they were in 1880, and Her Majesty's Government consider that the reasons for a Conference which were valid then are at the present time of even greater weight. Before addressing a formal invitation to the Governments interested, Her Majesty's Government have taken steps to ascertain the views of the Governments of those countries in which the bounty system most extensively prevails. Her Majesty's Government have been glad to learn that the objections on the part of certain Governments which existed in 1881 appear no longer to exist, and that the Powers chiefly interested are not indisposed to take part in an International Conference, provided that some indication is given of the questions connected with the sugar industry which their Delegates would be called upon to discuss. In the opinion of Her Majesty's Government, the attention of the Conference should be devoted to the following points:—

1. What steps, if any, can be taken for the removal of causes of disturbance of the sugar-producing and refining industry, so far as they are due to the action of Governments;

2. Whether it would be practicable for the various Governments to agree to manufacture and refine sugar in bond; or

3. Whether a common system can be agreed upon for correlating duties and drawbacks according to the various methods of levying duties on the roots, canes, juice, &c., so that one system of correlation shall be the equivalent of the other;

4. And, generally, to discuss any proposals with the object of inducing all Governments interested to give up the bounties.

In making these suggestions as to the scope of the Conference, Her Majesty's Government have no wish to exclude the consideration of any further point which the Governments interested may consider it advantageous to discuss, their object in proposing the meeting of the Conference being to effect a final settlement of this long outstanding and intricate question.

I have accordingly to request that you will address a formal invitation to the Government to take part in a Conference in London upon the above-mentioned bases; and you will add that, in the interests of the sugar industry, Her Majesty's Government attach great importance to an early decision being arrived at upon the subject.

You are authorized to leave a copy of this despatch with the Minister for Foreign Affairs.

I am, &c.

(Signed)

SALISBURY.

No. 77.

Sir W. Stuart to the Marquis of Salisbury.—(Received July 7.)

My Lord,

The Hague, July 4, 1887.

WITH reference to your Lordship's despatch of the 30th ultimo, I have the honour to forward herewith a copy of a Memorandum which I drew up in the terms of the letter from the Board of Trade of the 27th ultimo, and delivered to M. de Karnebeek this afternoon, as the answer of Her Majesty's Government to the wish which his Excellency had expressed to me, that the Netherlands Government should be invited to take part in any preliminary negotiations respecting the convocation of a Conference upon the Sugar question.

M. de Karnebeek appeared to be well satisfied with the contents of this communication, and desired me to convey his thanks to your Lordship for it, adding that he would submit it to his colleagues, and consult with them as to the course which the Netherlands Government should take with respect to it.

I have, &c.

(Signed)

W. STUART.

Inclosure in No. 77.

*Memorandum communicated to his Excellency M. de Karnebeek by Sir W. Stuart,
July 4, 1887.*

WITH reference to the wish expressed by M. de Karnebeek, that the Netherlands Government should be invited by Her Majesty's Government to take part in the pre-

liminary negotiations respecting the convocation of a Conference upon the Sugar question, Sir W. Stuart has been authorized by the Marquis of Salisbury to state as follows:—

As yet no negotiations in the full sense of the word have taken place upon the subject. A Conference on sugar bounties having been suggested in connection with British colonial interests concerned in the production of sugar, Her Majesty's Government endeavoured to ascertain in the first instance the disposition of the Governments of the leading sugar-producing countries of the Continent before proceeding further in the matter. In the event of a Conference taking place the question of bounties on the refining of sugar would, no doubt, have to be considered, along with bounties on production; but, primarily, the inquiries had reference to bounties on production.

Her Majesty's Government understand that it is chiefly as regards the refining of sugar that the Netherlands Government has been concerned in past negotiations, but they gladly recognize that in another way the interest of that Government, as the possessor of Colonies where sugar is largely produced, and where industry suffers from the bounties given by European Governments, is largely identical with their own, and in any further preliminaries, as well as in the subsequent negotiations, would most cordially welcome the assistance of the Netherlands Government, if that Government should see fit to give it.

The Governments of France, Germany, and Austria have all shown some willingness to receive proposals for a Conference, if the bases are such as they can approve; but the preliminary inquiries have not gone beyond this.

Up to the present no draft of proposed bases for a Conference has been submitted formally or informally to any Government, and if the Netherlands Government have any suggestions to make, Her Majesty's Government would be happy to receive them. In any case, before submitting any formal proposals, they would propose to consult the Netherlands Government on the subject.

The Hague, July 2, 1887.

No. 78.

Viscount Lyons to the Marquis of Salisbury.—(Received July 9.)

My Lord,

Paris, July 8, 1887.

I HAVE the honour to transmit to your Lordship a copy of a note in which I have communicated to the French Minister for Foreign Affairs a copy of your Lordship's Circular despatch of the 2nd instant, and have invited the French Government to take part in a Conference in London on the Sugar question, on the bases mentioned in that despatch.

I have, &c.
(Signed) LYONS.

Inclosure in No. 78.

Viscount Lyons to M. Flourens.

M. le Ministre,

Paris, July 8, 1887.

IN placing in your Excellency's hand the inclosed copy of a despatch, which I have received from Her Majesty's Principal Secretary of State for Foreign Affairs, I have the honour to address to the Government of the Republic, on behalf of the Government of Her Majesty, an invitation to take part in a Conference in London upon the Sugar question on the bases therein mentioned.

I do myself the honour to recommend this invitation to the favourable consideration of the French Government, and to add that, in the interests of the sugar industry, Her Majesty's Government attach great importance to an early decision being arrived at upon the subject.

I have, &c.
(Signed) LYONS.

No. 79.

Mr. Gosselin to the Marquis of Salisbury.—(Received July 11.)

My Lord,

Brussels, July 8, 1887.

I HAVE the honour to acknowledge the receipt yesterday of your Lordship's Circular despatch of the 2nd instant, and to state that, in accordance with the instructions contained therein, I have addressed a note in the terms of your Lordship's despatch to the Minister for Foreign Affairs, inviting the Belgian Government to take part in an International Conference which Her Majesty's Government desire to convoke in London for the purpose of considering the Sugar question.

I called at the Ministry for Foreign Affairs this morning, and, in handing to Prince de Chimay my note, and a copy of your Lordship's despatch, on which it is based, I explained that, in the interests of the sugar industry, Her Majesty's Government attach great importance to an early decision being arrived at on the subject.

His Excellency promised to give the matter his immediate attention, and added that, although he could not give me a definite answer until he had consulted the Prime Minister, M. Beernaert (with whom, as Minister of Finance, any decision affecting the Belgian sugar trade naturally rests), yet, speaking unofficially, he felt sure that the King's Government would favourably entertain the invitation transmitted to them by your Lordship.

I have, &c.

(Signed)

MARTIN GOSSELIN.

No. 80.

Mr. Scott to the Marquis of Salisbury.—(Received July 11.)

My Lord,

Berlin, July 8, 1887.

WITH reference to your Lordship's Circular despatch of the 2nd instant, I have the honour to state that I called at the Ministry for Foreign Affairs this morning and read this despatch to Count Bismarck, leaving a copy of it in his Excellency's hands.

At the same time, in compliance with your Lordship's instructions, I addressed an official communication in writing to his Excellency, formally inviting the Imperial Government to take part in the proposed Conference in London on questions affecting the sugar industry, and on the bases indicated in your Lordship's despatch.

I added that Her Majesty's Government attached great importance to an early decision being arrived at upon the subject.

I have the honour to inclose a copy of my note to Count Bismarck.

His Excellency said that he would lose no time in communicating with the Department of the Imperial Government interested in this question, with a view to giving an early reply to this invitation.

He observed that no date for the meeting of the Conference was mentioned in your Lordship's despatch.

I said that I presumed Her Majesty's Government had desired to consult the convenience of the Powers before proposing a definite date.

I have, &c.

(Signed)

CHARLES S. SCOTT.

Inclosure in No. 80.

Mr. Scott to Count Bismarck.

Berlin, July 8, 1887.

M. le Secrétaire d'État,

I HAD the honour to place in your Excellency's hands this morning copy of a despatch which I had received from Her Majesty's Principal Secretary of State for Foreign Affairs, instructing me to address a formal invitation to the Imperial German Government to take part in a Conference proposed to be held in London of Powers interested in the sugar industry to discuss certain questions affecting that industry, and indicating the points to which, in the opinion of Her Majesty's Government, the attention of the Conference should be devoted.

In compliance with these instructions, I have now the honour to invite, in the name of Her Majesty's Government, the Imperial German Government to take part in the proposed Conference on the bases indicated in Lord Salisbury's despatch above referred to.

Your Excellency will perceive from this despatch that, in making suggestions as to the scope of the Conference, Her Majesty's Government have no wish to exclude the consideration of any further point which the Government interested may consider it advantageous to discuss, their object in proposing the meeting of the Conference being to effect a final settlement of a long outstanding and intricate question.

I have been directed, when addressing this invitation to your Excellency, to add that, in the interests of the sugar industry, Her Majesty's Government attach great importance to an early decision being arrived at upon this subject.

In doing myself the honour of addressing this official communication to your Excellency, I avail, &c.

(Signed) CHARLES S. SCOTT.

No. 81.

Sir E. Monson to the Marquis of Salisbury.—(Received July 11.)

My Lord,

Copenhagen, July 9, 1887.

I HAVE this day left a copy of your Lordship's Circular despatch of the 2nd instant respecting the proposed International Conference to be held in London on the Sugar question with the Minister of Foreign Affairs, accompanied by a formal note inviting the Danish Government, on the part of Her Majesty's Government, to take part in the Conference.

M. Vedel, the Director of the Ministry of Foreign Affairs, called on me this afternoon, and I asked him whether he thought that his Government would accept the invitation.

He said that it depended entirely upon the Prime Minister, who is also Minister of Finance, but that he imagined that there would be no objection on his Excellency's part to send some one to represent this country at the proposed discussions so long as no engagement was to be entered into beforehand as to an ultimate decision. He could not, however, imagine that Her Majesty's Government would succeed in persuading the Governments of France and Germany to consent to give up their present system.

I said that I concluded, from the terms of your Lordship's despatch, that the two Governments in question had shown some symptoms of a desire to meet the views of Her Majesty's Government; and I then inquired whether the recent passage of a law granting a bounty to exporters of sugar from this country (copy of which was transmitted to your Lordship in my despatch of the 18th May last) might not be an obstacle to the co-operation of the Danish Government in the measures desired by that of Her Majesty.

M. Vedel replied that he was of opinion that M. Estrup, the Prime Minister, would welcome any proposition which would assist him in getting rid of what was not only an innovation, but one repugnant to the economical traditions of this country.

I have, &c.

(Signed) EDMUND MONSON.

No. 82.

Sir W. Stuart to the Marquis of Salisbury.—(Received July 11.)

My Lord,

The Hague, July 10, 1887.

YOUR Lordship's Circular despatch of the 2nd instant reached me on the 7th instant, and I immediately addressed a note to M. de Karnebeek, of which I have the honour to inclose a copy herewith, formally inviting the Netherlands Government to take part in the International Conference which it is proposed to hold in London upon the Sugar question.

I have since spoken to M. de Karnebeek upon the subject, and I understood from him that he had submitted the proposal of Her Majesty's Government to the Departments of the Netherlands Government which it principally concerned, and that no unnecessary delay would take place in coming to a decision with respect to it.

I have, &c.

(Signed) W. STUART.

Inclosure in No. 82.

Sir W. Stuart to M. de Karnebeek.

M. le Ministre,

The Hague, July 7, 1887.

I BEG to communicate to your Excellency the accompanying copy of a despatch which I have received from Her Majesty's Secretary of State for Foreign Affairs, explaining the reasons which exist for convoking an International Conference upon the Sugar question, and showing the points connected with the sugar industry, to which, in the opinion of Her Majesty's Government, the attention of the Conference should be devoted, those points being as follows:—

1. What steps, if any, can be taken for the removal of the causes of disturbance of the sugar-producing and refining industry, so far as they are due to the action of Government;
2. Whether it would be practicable for the various Governments to agree to manufacture and refine sugar in bond; or
3. Whether a common system can be agreed upon for correlating duties and drawbacks according to the various methods of levying duties on the roots, canes, juice, &c., so that one system of correlation shall be the equivalent of the other;
4. And generally to discuss any proposals with the object of inducing all Governments interested to give up the bounties.

Your Excellency will perceive that in making these suggestions as to the scope of the Conference, Her Majesty's Government have no wish to exclude the consideration of any further points which the Governments interested may consider it advantageous to discuss, their object in proposing the meeting of the Conference being to effect a final settlement of this long outstanding and intricate question.

In conformity with the instructions which have accordingly been sent to me by Her Majesty's Government in the present despatch, I have hereby the honour to invite the Netherlands Government, through your Excellency, to take part in a Conference in London upon the above-mentioned terms; and I am to add that, in the interests of the sugar industry, Her Majesty's Government attach great importance to an early decision being arrived at upon this subject.

I avail, &c.
(Signed) W. STUART.

No. 83.

The Marquis of Salisbury to Mr. Scott.

Sir,

Foreign Office, July 13, 1887.

I APPROVE the note which you addressed to Count Bismarck on the 8th instant respecting the proposed Conference on the Sugar question, and also your language on the subject, as reported in your despatch of the same date.

As regards the precise date when the Conference will meet, as you justly indicated, a short time must necessarily elapse in the preliminary communications which are taking place with the different Governments concerned before a date can be proposed for the meeting of the Conference.

I am, &c.
(Signed) SALISBURY.

No. 84.

Mr. Corbett to the Marquis of Salisbury.—(Received July 15.)

My Lord,

Helsingborg, July 9, 1887.

I HAVE carried out the instructions contained in your Lordship's Circular despatch of the 2nd instant, relative to the sugar industry, and left with the Minister for Foreign Affairs two copies of it.

I have, &c.
(Signed) EDWIN CORBETT.

No. 85.

Mr. Petre to the Marquis of Salisbury.—(Received July 19.)

My Lord,

Lisbon, July 14, 1887.

IN pursuance of the instruction conveyed to me in your Lordship's Circular despatch of the 2nd instant, I have invited the Portuguese Government to take part in the Conference proposed by Her Majesty's Government to discuss questions connected with the sugar industry, and I have left a copy of your Lordship's despatch with the Minister for Foreign Affairs.

I have, &c.
(Signed) GEORGE G. PETRE.

No. 86.

Scotch Office to Foreign Office.—(Received July 22.)

Sir,

Dover House, Whitehall, July 20, 1887.

I AM directed by the Secretary for Scotland to transmit herewith, to be laid before the Secretary of State for Foreign Affairs, a copy of a Memorial presented to both Houses of Parliament by the Provost, Magistrates, and Council of the Burgh of Greenock against foreign bounties on sugar.

I am, &c.
(Signed) F. R. SANDFORD.

Inclosure in No. 86.

Petition.

The Petition of the Provost, Magistrates, and Town Council of Greenock,

Humbly sheweth:

THAT your petitioners, representing a population, within the municipal boundaries, of over 70,000 persons, and a valuation roll of 369,000*l.*, are intrusted with the administration of the several public funds of the burgh, comprising the Town Proper Trust, the Board of Police Funds, and the Water Trust, and, as custodiers of the public weal, have a deep interest in the prosperity of the inhabitants and the special industries of the town and district.

That the staple trade of the town, that of sugar refining, has been established for over 120 years, and has hitherto been one of very considerable magnitude, constituting, with similar trades in London, Liverpool, and elsewhere, an important national industry.

That labour in the town is cheap and plentiful, and the natural situation of Greenock as a seaport, having in addition cheap water power from immense reservoirs in the hills closely adjacent, favours cheap production.

That your petitioners recognize in the sugar-refining trade of Greenock and the many trades attendant thereon the largest contributors to the revenues of the public trusts under the control of your petitioners, for municipal assessments, for water and for water power, and for other charges attaching to large works, and reckon that fully one-fifth of the entire population is engaged, directly or indirectly, in the prosecution of this important local industry.

That your petitioners cannot shut their eyes to the perilous condition of this their great staple trade, in consequence of the long-continued and ruinous operation of foreign bounties on sugar—intensified by a recent increase on these bounties—which threatens speedily to bring home to the town of Greenock the same extinction of a legitimate industry which has visited Bristol, Dublin, and Southampton, and already closed the doors of extensive works in London and in Greenock, and aims at the transference of a great branch of British commerce to foreign nations.

Your petitioners therefore pray that in the national as well as in the local interest your Honourable House will take immediate steps by the most energetic methods that can be devised to frustrate and defeat the nefarious designs of these foreign nations, and so

restore to the country and to the town of Greenock a fair basis of trade competition, by which alone so valuable a national industry can survive.

And your petitioners will ever pray.

(Signed)

ROBT. SHANKLAND, *Provost of Greenock.*
C. MACCULLOCH, *Town Clerk.*

July 1887.

No. 87.

Mr. Scott to the Marquis of Salisbury.—(Received July 25.)

My Lord,

Berlin, July 22, 1887.

WITH reference to Sir E. Malet's despatch of the 27th May and to previous Reports on the subject of the German sugar tax, I have the honour to state that the new Law refixing the rates of tax and drawback, and reforming the present system of taxation, was published in the official Gazette on the 15th instant. The Law is dated the 9th instant, and its provisions are to come into force on the 1st August, 1888.

The Memoranda inclosed in Sir E. Malet's despatches above referred to gave the outlines of the draft of this Law, which has since undergone considerable modifications in Committee and in the Reichstag.

I have now the honour to forward two copies of the text of the Law as it now stands, and a short Memorandum of the chief points in it which affect the export bounties.

Should your Lordship desire a full translation of this Law, I would venture to request authority to have the translation prepared by an expert acquainted with the technicalities of the sugar trade.

The Law is a very lengthy one, and the greater part of the text deals with the system of refining in bond, rendered necessary by the introduction of a new tax on sugar refined for consumption in Germany.

I have, &c.

(Signed)

CHARLES S. SCOTT.

Inclosure in No. 87.

Memorandum respecting the New German Sugar-tax Law of July 9, 1887.

THIS Law is to come into operation on the 1st August, 1888.

By Article 1 the duty on foreign sugars is fixed at:—

1. Syrup and molasses, 15 marks per 100 kilog.
2. All other sugar, 30 marks per 100 kilog.

By special enactment of the Federal Executive, foreign sugar to be worked up in German refineries can be exempted from duty.

By Articles 2 and 3, German-made beet sugar is liable to a material tax of 0·80 marks (10d.) per 100 kilog. (2 cwt.) of roots employed, and all refined sugar for home consumption to a manufacture tax of 12 marks per 100 kilog. sugar. From this latter tax are only exempted residues of manufacture, such as syrup and molasses; but the Federal Executive is empowered to impose by special enactment the whole or part of the manufacture tax on residues when adapted for use as superior articles of consumption, either in their original form or by subsequent and further processes of manufacture.

Articles 4 and 5 prescribe the time and mode of payment of these taxes.

Article 6 refixes the rates of drawback on exports in quantities of at least 500 kilog. (10 cwt.).

(a.) Raw sugar, containing at least 90 per cent. sugar; and refined, containing at least 90, and less than 98, per cent. sugar, to receive a drawback of 8 marks 50 pf. per 100 kilog.

(b.) Candies, sugar in white full hard loaves, blocks, plates, or cubes, or crushed under excise supervision, and all other sugars indicated by the Federal Executive, containing at least 99½ per cent. sugar, drawback, 10 marks 65 pf. per 100 kilog.

(c.) All other hard sugars, and all white dry sugar (with no more than 1 per cent. water) in the forms of crystals, granulated or powder, and containing at least 98 per cent. sugar, and not coming under category of (b), 10 marks per 100 kilog.

Up to the 1st October, 1888, sugars of class (a) will be entitled to the higher drawback of 17 marks 25 pf., sugars of (b); and (c) to the drawbacks of 21 marks 50 pf. and 20 marks 15 pf. respectively, if they are submitted to the excise officials before the 1st August, 1888, and their identity insured up to the date of export or deposit in a bonded export warehouse.

Further, if applied to, the excise authorities will take a register of the amount of stock

[193]

G 2

of raw sugar and unfinished goods in any sugar mill on the 1st August, 1888, and fix the amount of finished sugar to be got out of them; and the manufacturer will then be entitled to the higher drawback on the amount thus ascertained if he exports or deposits it in bond between the 1st August and the 1st October, 1888.

Owners of sugar mills will be allowed up to the 1st October, 1888, to take into their mills out of bond for manufacture raw sugar of Class A, deposited under drawback of the tax previous to the 1st August, 1888, on payment of the new tax of 8 marks 50 pf. per 100 kilog.

The remaining fifty-seven Articles of the new Law deal almost exclusively with the establishment of a strict excise control over the manufactories and sugar, and with the penalties for evasion or infringement of the Law. The chief feature, and perhaps chief merit, of the new Law is that it forms a decided first step towards the abolition of the old material tax with its inevitable bounty system, and by introducing a system and machinery for refining and manufacturing in bond, paves the way to the final adoption of a single direct tax on sugar.

In its present form the Law is clearly the result of a compromise between the financial interests of the State and the private interests of agriculturists and manufacturers, by which it is asserted the latter interests have been more favoured than the former.

For instance, it has been asserted, with much confidence, that at the rate at which the drawbacks have now been fixed the entire proceeds of the root tax will in all probability be almost immediately absorbed by the payments on account of drawback and the costs of collection, leaving only the proceeds of the new consumption tax as revenue for the State.

It is calculated, taking the present sugar consumption of the Empire at 8,000,000 cwts. per annum, that this new tax should by itself produce an annual revenue of 48,000,000 marks (2,400,000*l.*).

In the course of debate the attention of the Government was forcibly drawn to the additional high bounty which German refiners receive under the present tax (and the proportion of this bounty appears to be increased rather than diminished by the new drawbacks).

In reply, the Government observed that it had been the manifest wish of the Legislature to give additional encouragement to the export of German-refined sugar, which until very lately had not taken anything like its proper place in the foreign market; but the Government maintained that the extent of this bounty had been much exaggerated, as it was still practically impossible in Germany to get 90 kilog. of refined out of 100 kilog. of raw sugar.

It will be seen from the present and former Memoranda on the subject, that the chief alterations introduced by the Legislature into the original Government Bill consist in:—

1. Increasing the amount of the new consumption tax, from 10 marks to 12 marks per 100 kilogs.
2. Decreasing the amount of the root-tax from 1 mark to 0·80 marks per 100 kilog.
3. Assuming for the assessment of drawback rates an average sugar yield in the roots of 10·62 : 1 instead of 10 : 1, as proposed by the Government Bill.
4. Classifying the description of sugars in accordance with their actual sugar contents, instead of by the old polarization test.

With regard to the amount of bounty veiled in the new drawbacks, it is calculated that when the average sugar yield of the roots is 7 : 1, the new drawback will give a bounty of 2·90 marks per 100 kilog. (1*s.* 5½*d.* per cwt.), while the Government proposals if adopted would have given one of 3 marks per 100 kilog. (1*s.* 6*d.* per cwt.).

At an average yield of 7·50 : 1—				Bounty.
New drawback and	}	would both give	..	{ 2 mks. 50 pf. per 100 kilog.
Government proposal				(1 <i>s.</i> 3 <i>d.</i> per cwt.).
At 8 : 1—				
New drawback	..	..	..	2 mks. 10 pf. per 100 kilog.
				(1 <i>s.</i> 0½ <i>d.</i> per cwt.).
Government proposal	..	..	..	2 mks. per 100 kilog.
				(1 <i>s.</i> per cwt.).
At 9 : 1—				
New drawback	..	..	..	1 mk. 30 pf. per 100 kilog.
				(7½ <i>d.</i> per cwt.).
Government proposal	..	..	..	1 mk per 100 kilog.
At 10 : 1—				
New drawback	..	..	..	1 mk. per 100 kilog.
				(6 <i>d.</i> per cwt.).
Government proposal	..	..	..	None.

It was this calculation which induced the Reichstag to finally adopt the assessment of the drawbacks at the rates of the new Law instead of at those proposed originally by the Government, as it considered the former more equitable to manufacturers working under less favourable conditions with poorer roots, and on poorer soil.

[Sent to Board of Trade, July 26.]

No. 88.

Sir A. Paget to the Marquis of Salisbury.—(Received July 30.)

My Lord,

Vienna, July 15, 1887.

I HAVE the honour to state that, in accordance with the instructions contained in your Lordship's Commercial Circular of the 2nd instant, I at once addressed a formal invitation to the Austro-Hungarian Government to take part in a Conference in London on the sugar question upon the bases mentioned in your Lordship's above-named despatch, adding that Her Majesty's Government attach great importance to an early decision being arrived at on the subject.

I have, &c.
(Signed) A. PAGET.

No. 89.

Sir L. West to the Marquis of Salisbury.—(Received July 30.)

My Lord,

Washington, July 18, 1887.

I HAVE the honour to acknowledge the receipt of your Lordship's Circular despatch of the 2nd instant, and to inform your Lordship that I have communicated copy of it to the Secretary of State, formally inviting at the same time the Government of the United States to take part in it upon the bases therein laid down, and adding that Her Majesty's Government attach great importance to an early decision being arrived at upon the subject.

I have, &c.
(Signed) L. S. SACKVILLE WEST.

No. 90.

Sir Clare Ford to the Marquis of Salisbury.—(Received August 1.)

My Lord,

Madrid, July 29, 1887.

WITH reference to your Lordship's Circular despatch of the 2nd instant, requesting me to address a formal invitation to the Spanish Government to take part in a Conference which it is proposed to hold in London for the purpose of considering the Sugar question, I have the honour to transmit herewith to your Lordship copy of a note which I addressed to Señor Moret, the Spanish Minister of State, on the subject, together with a translation of the reply which I have received from his Excellency, informing me that the Spanish Government is most happy to accept the invitation which, in the name of Her Majesty's Government, I had sent them.

I have, &c.
(Signed) FRANCIS CLARE FORD.

Inclosure 1 in No. 90.

Sir Clare Ford to Señor Moret.

M. le Ministre,

Madrid, July 16, 1887.

I HAVE the honour to inform your Excellency that the question of sugar industries and the suppression under certain conditions of bounties on sugar produce is again attracting the attention of Her Majesty's Government, and they have determined to invite

foreign Governments interested in the matter to take part in an International Conference on the subject.

I have been instructed by the Marquis of Salisbury, Her Majesty's Principal Secretary of State for Foreign Affairs, to address a formal invitation to your Excellency that the Spanish Government should take part in it.

It is proposed to hold the Conference in London, and I am authorized to give to your Excellency a copy of the despatch (herein inclosed) which was sent to me by the Marquis of Salisbury, and in which your Excellency will find recorded several points to which, in the opinion of Her Majesty's Government, the attention of the Delegates to the Conference should be devoted, but Her Majesty's Government have no wish to exclude the consideration of any further point which the Governments interested may consider it advantageous to discuss.

Her Majesty's Government attach great importance to an early decision being arrived at upon the subject, and I would therefore request your Excellency to be so good as to send me a reply with the least possible delay to this communication.

I avail, &c.

(Signed) FRANCIS CLARE FORD.

Inclosure 2 in No. 90.

Señor Moret to Sir Clare Ford.

(Translation.)

M. le Ministre,

Ministry of State, The Palace, July 27, 1887.

I HAVE the honour to acknowledge your Excellency's note of the 16th instant, inviting the Government of His Majesty to a Conference, which is to be held in London, for the purpose of considering the question of sugar industries and the suppression of sugar bounties—a Conference which will be empowered to extend its labours to the consideration of other questions if the Governments taking part therein deem it convenient

The Government of His Majesty consider it of the highest importance that an agreement should be arrived at on this question, and is most happy to accept the invitation which your Excellency has sent to them in the name of Her Britannic Majesty.

I avail, &c.

(Signed) S. MORET.

No. 91.

Mr. Scott to the Marquis of Salisbury.—(Received August 1.)

My Lord,

Berlin, July 30, 1887.

WITH reference to my despatch of the 8th instant, I have the honour to inclose translation of a note which I have received from Count Berchem, signifying the readiness of the Imperial Government to take part in the proposed Conference on questions affecting the sugar industry.

I have, &c.

(Signed) CHARLES S. SCOTT.

Inclosure in No. 91.

Count Berchem to Mr. Scott.

(Translation.)

Foreign Office, Berlin, July 30, 1887.

HER Majesty's Chargé d'Affaires, Mr. Scott, in his note of the 8th instant, communicated to the Government of His Majesty the Emperor the invitation of Her Britannic Majesty's Government to take part in an International Conference on the Sugar question.

With reference to the above, the Undersigned has the honour to inform the Chargé d'Affaires that the Imperial Government is willing and ready to accept this invitation, and take part in the investigations connected therewith.

The Undersigned avails himself, &c.

(Signed) BERCHEM.

Lord Vivian to the Marquis of Salisbury.—(Received August 1.)

My Lord,

Brussels, July 30, 1887.

WITH reference to Mr. Gosselin's despatch of the 8th instant, I have the honour to inclose copy of Prince de Chimay's reply to the invitation sent to the Belgian Government to take part in an International Conference which Her Majesty's Government propose to convoke in London with the view of endeavouring to arrive at an arrangement for the suppression of the bounties on exported sugar.

Your Lordship will perceive that the Belgian Government, while favourably entertaining this proposal, make their participation in the Conference conditional on their obligation to manufacture and refine sugar in bond being excluded from discussion.

I have, &c.

(Signed) VIVIAN.

Inclosure in No. 92.

The Prince de Chimay to Lord Vivian.

Milord,

Bruxelles, le 29 Juillet, 1887.

J'AI l'honneur d'accuser la réception de l'office du 7 de ce mois, par lequel Mr. Gosselin a bien voulu, d'après les instructions de votre Gouvernement, inviter le Gouvernement du Roi à se faire représenter à une Conférence Internationale qui se réunirait à Londres et qui serait chargée de discuter les questions fiscales se rattachant à l'industrie des sucres.

Conséquent avec l'attitude qu'il a prise antérieurement relativement au même objet, le Gouvernement Belge ne peut qu'accueillir avec faveur l'idée mise en avant par le Gouvernement Britannique de voir se réunir une Conférence de Délégués des principaux pays de l'Europe engagés dans l'industrie des sucres, et notamment de l'Angleterre, de l'Allemagne, de l'Autriche-Hongrie, de la Belgique, de la France, et des Pays-Bas. Il estime que, aujourd'hui comme il y a deux ans, il est opportun de rechercher les moyens à mettre en œuvre pour arriver, sinon à supprimer complètement, du moins à réduire le plus possible, les primes qui résultent du montant de la prise en charge à la fabrication du sucre de betterave, combiné avec le drawback à la sortie des sucres en général, qu'ils soient bruts ou raffinés.

Toutefois, le Gouvernement du Roi devra mettre comme condition de sa participation à la Conférence projetée que l'on écarte de la discussion l'obligation pour la Belgique de produire et de raffiner le sucre *en entrepôt*.

Vous voudrez bien vous rappeler, Milord, qu'il y a deux ans, le Gouvernement de la Reine avait également cru devoir formuler les réserves sous lesquelles il lui était possible d'accepter l'invitation à la Conférence alors proposée.

Le Gouvernement du Roi ne croit pas inutile de faire remarquer au surplus, Milord, que le temps manquerait absolument pour que les mesures qui feraient éventuellement l'objet d'une Convention Internationale puissent être mises en vigueur avant la campagne 1888-89.

Veillez, &c.

(Signé) LE PRINCE DE CHIMAY.

(Translation.)

My Lord,

Brussels, July 29, 1887.

I HAVE the honour to acknowledge the receipt of the note of the 7th instant, in which Mr. Gosselin, acting under instructions from your Government, invited the King's Government to be represented at an International Conference to meet in London to discuss the question of the taxation of sugar.

Consistently with the attitude the Belgian Government has hitherto adopted with regard to this question, it can but receive favourably the proposal made by the British Government as to summoning a Conference of the Delegates of the principal European countries interested in the sugar trade, especially England, Germany, Austria-Hungary, Belgium, France, and the Netherlands. It considers, as it did two years ago, that it would be well to endeavour to find means, if not of entirely suppressing, at least of reducing to the smallest limits, the bounties produced by the yield as estimated beforehand in the

manufacture of beet-root sugar, in combination with the drawback given on the exportation of all sugars, whether raw or refined.

The King's Government must, however, make it a condition of their joining the Conference that there shall be no question of Belgium being obliged to manufacture and refine sugar in bond.

You will remember, my Lord, that two years ago the Queen's Government stated the conditions under which alone it could accept the invitation to the Conference which was then proposed.

The King's Government thinks it useful to add that the time is certainly too short to enable the measures which may eventually be inserted in an International Convention to be put in force before the 1888-89 season.

I have, &c.

(Signed) LE PRINCE DE CHIMAY.

No. 93.

Foreign Office to Board of Trade.

Sir,

Foreign Office, August 2, 1887.

I AM directed by the Marquis of Salisbury to transmit to you a despatch from Her Majesty's Minister at Brussels,* forwarding a note from the Prince de Chimay, stating the conditions on which the Belgian Government are willing to take part in the proposed Conference relative to questions affecting the sugar industries.

The draft of the answer which Lord Salisbury proposes to return to Lord Vivian's despatch is also inclosed;† and I am to request that, in laying these papers before the Board of Trade, you will ask whether they concur in this reply, and that you will acquaint me with their opinion at your early convenience.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 94.

Foreign Office to Board of Trade.‡

Sir,

Foreign Office, August 2, 1887.

I AM directed by the Marquis of Salisbury to request that you will inform the Board of Trade that the Governments of Germany and Spain have agreed to take part in the Conference on the Sugar question which Her Majesty's Government have proposed shall be held in London.

A copy of the Circular on the subject of the Conference to Her Majesty's Representatives abroad, as finally settled, is herewith inclosed.§

The correspondence, which is being printed at this Office, shall be forwarded to you in due course.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 95.

Board of Trade to Foreign Office.—(Received August 5.)

Sir,

Board of Trade, London, August 4, 1887.

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 2nd instant, transmitting, by direction of the Marquis of Salisbury, a despatch from Her Majesty's Minister at Brussels (with inclosure) on the subject of the proposed Conference on the Sugar Bounties question.

In reply to your request to be furnished with any observations which this Board might have to offer with regard to the documents forwarded with your letter, and which are returned herewith in compliance with your desire, I am to state, for his Lordship's

* No. 92.

† Also to Colonial Office.

‡ See No. 96.

§ No. 76.

information, that the Board of Trade quite concur in the reply which it is proposed to make to Lord Vivian's despatch.

I have, &c.
(Signed) THOMAS GRAY.

No. 96.

The Marquis of Salisbury to Lord Vivian.

My Lord,

Foreign Office, August 5, 1887.

I HAVE to acknowledge the receipt of your Lordship's despatch of the 30th ultimo, forwarding a note from the Prince de Chimay, stating the conditions on which the Belgian Government are willing to take part in the proposed Conference relative to questions affecting the sugar industries.

In reply, I have to request that you will suggest that the Belgian Government should take part in the Conference, with the object of which they are in sympathy, and that their Delegates should at the proper time state, as on former occasions, the views of their Government, which will no doubt be considered in the same spirit as at previous Conferences.

I am, &c.
(Signed) SALISBURY.

No. 97.

Sir L. West to the Marquis of Salisbury.—(Received August 8.)

My Lord,

Washington, July 27, 1887.

I DULY communicated to Mr. Bayard a copy of your Lordship's Circular despatch dated the 2nd instant, inviting the United States' Government to a Conference on the Sugar question.

I have now the honour to inclose copy of his reply, stating that the consent of Congress is necessary, and that the proper authorities are considering the propriety of submitting the invitation to that body.

I have the honour to add that unless a special Session is convened Congress will not meet till the first Monday in December.

I have, &c.
(Signed) L. S. SACKVILLE WEST.

Inclosure in No. 97.

Mr. Bayard to Sir L. West.

Sir,

Department of State, Washington, July 25, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 18th instant, inviting this Government to take part in a proposed Conference of the sugar-producing Powers to be held in London.

In reply, I have the honour to inform you that the proper authorities are considering the propriety of submitting this invitation to Congress, as the effective presence of a Representative of the United States at the proposed Conference could only be procured by the action of the legislative branch of this Government.

I have, &c.
(Signed) T. F. BAYARD.

No. 98.

Lord Vivian to the Marquis of Salisbury.—(Received August 8.)

My Lord,

Brussels, August 6, 1887.

I HAVE the honour to inclose copy of the note which, in compliance with the instructions contained in your Lordship's despatch of yesterday's date, I have addressed

[193]

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to the Minister for Foreign Affairs respecting the participation of the Belgian Government in the proposed Conference relative to questions affecting the sugar industries.

I have, &c.
(Signed) VIVIAN.

Inclosure in No. 98.

Lord Vivian to the Prince de Chimay.

Prince,

Brussels, August 6, 1887.

HER Majesty's Government having had under their consideration your Excellency's note of the 29th ultimo, stating the condition which the King's Government attach to their participation in the proposed Conference at London relative to questions affecting the sugar industries, I am desired by the Marquis of Salisbury to express the hope that the King's Government will take part in the Conference, with the object of which they are in sympathy, and to suggest that their Delegates should at the proper time state, as on former occasions, the views of their Government on the point reserved by your Excellency, which will doubtless be considered in the same spirit as at previous Conferences.

I avail, &c.
(Signed) VIVIAN.

No. 99.

Board of Trade to Foreign Office.—(Received August 8.)

Sir,

Board of Trade, London, August 6, 1887.

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 26th ultimo requesting that papers in the possession of this Board might be returned to the Foreign Office as soon as possible for the purpose of being printed.

In reply, I am to return to you the papers which accompanied your letter, in compliance with your request, and to forward to you at the same time the documents which were transmitted with your letters of the 15th June, the 25th May, the 5th April, and the 1st April last. These appear to be all the papers which have been received in this Department through the Foreign Office during the present year upon the question of the sugar industry in Germany, but if any further papers are required, and you will be good enough to state their nature, and the date upon which they were forwarded to the Board of Trade, search shall be made for them.

At the same time, I am to request that you will be good enough to point out to his Lordship that the question of sugar bounties has now been dealt with by this Department for some years, and the Board would accordingly be glad to be kept informed from time to time in regard to changes in foreign legislation and other matters connected with the subject as they may arise.

I am also to ask that you will be good enough to move his Lordship to cause this Board to be furnished as soon as possible with six copies of the paper which it is now proposed to print.

I have, &c.
(Signed) THOMAS GRAY.

No. 100.

Sir W. Stuart to the Marquis of Salisbury.—(Received August 9.)

My Lord,

The Hague, August 6, 1887.

WITH reference to my despatch of the 10th ultimo, and to the previous correspondence respecting the convocation of an International Conference upon the Sugar question, I have the honour to inclose herewith copy of a note which I have received from M. de Karnebeek, stating that although my Memorandum of the 2nd ultimo had led him to believe that the Netherlands Government would have been consulted by Her Majesty's Government before formal proposals were addressed to the Powers interested in the question, he has seen with

pleasure, by my communication of the 7th ultimo, that your Lordship has carried out your intention of making an attempt to bring about the suppression of the bounty system.

It is then stated in this note that the Netherlands Government, trusting that the other Governments invited will do the same, accept the invitation to take part in an International Conference to be held in London upon the bases indicated by your Lordship, and hope that the Conference will succeed in coming to a satisfactory understanding upon the question.

In conclusion, M. de Karnebeek inquires whether it might not be well to invite Russia also to take part in the Conference, and to co-operate eventually in the measures which may be agreed upon in the general interest.

I have, &c.
(Signed) W. STUART.

Inclosure in No. 100.

M. de Karnebeek to Sir W. Stuart.

M. le Ministre,

La Haye, le 6 Août, 1887.

QUOIQUE le Mémoire que vous avez bien voulu me remettre en date du 2 Juillet dernier eut fait supposer que le Gouvernement du Roi aurait été consulté par le Gouvernement de Sa Majesté Britannique avant que des propositions formelles faites aux Puissances intéressées par rapport à une Conférence Internationale sur la question des sucres, j'ai vu avec plaisir, par la communication que vous m'avez fait l'honneur de m'adresser en date du 7 Juillet dernier, que son Excellence le Secrétaire d'État pour les Affaires Étrangères a donné suite à son intention de tenter un effort pour parvenir à la suppression du système de primes qui dérange le cours naturel de l'industrie sucrière et le rendement des impôts auxquels elle est soumise.

Le Gouvernement du Roi, confiant que les autres Gouvernements invités feront de même, accepte donc l'invitation de prendre part à une Conférence Internationale à Londres sur les bases que le Marquis de Salisbury a indiquées. Il espère que cette fois on pourra établir une entente entre les Gouvernements intéressés et qu'on réussira à éviter les conséquences fâcheuses d'une nouvelle constatation de l'impossibilité d'y arriver. Il se permet cependant de poser la question s'il ne serait pas utile à appeler aussi la Russie à prendre part à la Conférence et à coopérer éventuellement aux mesures dont on pourrait convenir dans l'intérêt général.

En vous priant, M. le Ministre, de vouloir bien communiquer ce qui précède à votre Gouvernement, je saisis, &c.

(Signé) KARNEBEEK.

(Translation.)

M. le Ministre,

The Hague, August 6, 1887.

ALTHOUGH the Memorandum you were so good as to communicate to me on the 2nd July last would have led to the supposition that the King's Government would be consulted by Her Britannic Majesty's Government before any formal proposals were made to the Powers interested on the subject of an International Conference on the Sugar question, I learnt with pleasure from the Memorandum you did me the honour to communicate to me on the 7th July last that his Excellency the Secretary of State for Foreign Affairs has acted on his intention of endeavouring to compass the suppression of the bounty system which now disturbs the natural course of the sugar industry and the natural yield of the taxes imposed on sugar.

The King's Government, being confident that the other Governments that have been invited will act similarly, accepts the invitation to take part in an International Conference in London on the bases indicated by the Marquis of Salisbury. It trusts that it may now be possible for the Governments interested to come to an understanding, and that it will be possible to avoid so untoward an event as a recognition of the failure to arrive at such an understanding. The King's Government ventures to inquire whether it might not be useful to ask Russia to take part in the Conference and to adopt any measures which may eventually be proposed for the common good of all the Powers represented.

I beg you, M. le Ministre, to bring the foregoing to the knowledge of your Government, and have, &c.

(Signed) KARNEBEEK.

No. 101.

The Marquis of Salisbury to Sir L. West.

(Telegraphic.)

Foreign Office, August 9, 1887.

HAVE received your despatch of 27th ultimo. Ascertain unofficially whether, if early assent is given by other Powers, United States' Government see objection to Conference of these Powers before decision of United States is announced.

No. 102.

The Marquis of Salisbury to Lord Vivian.

My Lord,

Foreign Office, August 9, 1887.

I APPROVE the note which your Lordship addressed to the Prince de Chimay on the 5th instant, relative to the participation of Belgium in the proposed Conference on the Sugar question, of which a copy is inclosed in your despatch of the same date.

I am, &c.

(Signed) SALISBURY.

No. 103.

The Marquis of Salisbury to Sir W. Stuart.

Sir,

Foreign Office, August 11, 1887.

I HAVE received your despatch of the 6th instant, inclosing a note from the Netherlands Minister for Foreign Affairs, accepting the invitation of Her Majesty's Government to a Conference on the Sugar question; and I have to request you to express to the Netherlands Government the satisfaction of Her Majesty's Government at their decision; and to explain that it was owing to communications having crossed, and to the necessity for early action, that the preliminary communication which it had been intended to make to the Netherlands Government was not addressed to them.

I have at the same time to request you to inform M. de Karnebeek that the Russian Government have been invited to take part in the Conference, but that no reply has yet been received.

I am, &c.

(Signed) SALISBURY.

No. 104.

*Foreign Office to Board of Trade.**

Sir,

Foreign Office, August 11, 1887.

WITH reference to my letter of the 2nd instant, I am directed by the Marquis of Salisbury to transmit to you, for the information of the Board of Trade, copy of a note from the Netherlands Minister for Foreign Affairs to Her Majesty's Minister at the Hague,† communicating the acceptance by the Netherlands Government of the invitation to a Conference on the Sugar question.

With regard to the suggestion of M. de Karnebeek that Russia should be invited to take part in the Conference, I am to state that Her Majesty's Minister has been instructed to inform the Netherlands Government that an invitation to this effect was addressed to the Russian Government.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 105.

Sir E. Monson to the Marquis of Salisbury.—(Received August 13.)

My Lord,

Copenhagen, August 11, 1887.

I HAVE the honour to inclose copy of a note from M. Vedel, acting for the Minister for Foreign Affairs, stating that the Danish Government accept the invitation of Her

* Also to Colonial Office.

† Inclosure in No. 100.

Majesty's Government to take part in an International Conference to be held in London for the purpose of considering the Sugar question.

I have, &c.
(Signed) EDMUND MONSON.

Inclosure in No. 105.

M. Vedel to Sir E. Monson.

M. le Chevalier,

Copenhagen, le 10 Août, 1887.

J'AI eu l'honneur de recevoir, par votre note du 9 Juillet dernier, l'invitation que le Gouvernement de la Grande-Bretagne a bien voulu adresser à celui de Roi, relative à la participation du Danemark à une Conférence que votre Gouvernement propose de convoquer à Londres dans le but de discuter diverses questions ayant trait à l'industrie sucrière.

En réponse, je m'empresse de vous informer que le Gouvernement du Roi accepte volontiers cette invitation, et en vous priant de vouloir bien en avertir le Foreign Office, je saisis, &c.

(En l'absence du Ministre),
(Signé) P. VEDEL.

(Translation.)

M. le Chevalier,

Copenhagen, August 10, 1887.

BY your note of the 9th July last I had the honour to receive the invitation addressed by the Government of Great Britain to that of the King on the subject of the participation of Denmark in a Conference which your Government proposes to summon in London to discuss divers questions relating to the sugar industry.

In reply, I beg to state that the King's Government willingly accepts this invitation, and I beg you to so inform the Foreign Office.

I have, &c.
(In the Minister's absence),
(Signed) P. VEDEL.

No. 106.

Sir W. Stuart to the Marquis of Salisbury.—(Received August 13.)

My Lord,

The Hague, August 12, 1887.

I HAVE the honour to inclose herewith a copy of a note which I have this day addressed to M. de Karnebeek in the terms of your Lordship's despatch of yesterday's date, relative to the satisfaction of Her Majesty's Government at the acceptance of their invitation to the proposed Conference on the Sugar question by the Netherlands Government.

I have, &c.
(Signed) W. STUART.

Inclosure in No. 106.

Sir W. Stuart to M. de Karnebeek.

M. le Ministre,

The Hague, August 12, 1887.

I DULY forwarded to the Marquis of Salisbury your Excellency's note of the 6th instant, accepting the invitation of Her Majesty's Government to a Conference on the Sugar question, and, in accordance with instructions which I have received from his Lordship, I have now the honour to express to your Excellency the satisfaction of Her Majesty's Government at the decision of the Netherlands Government in the matter, and to explain that it was owing to communications having crossed, and to the necessity for early action, that the preliminary communication which it had been intended to make to the Netherlands Government was not addressed to them.

I have, at the same time, been instructed to inform your Excellency that the Russian Government has been invited to take part in the Conference, but that no reply has yet been received.

I avail, &c.
(Signed) W. STUART.

No. 107.

*Foreign Office to Board of Trade.**

Sir,

Foreign Office, August 15, 1887.

WITH reference to previous correspondence respecting a Sugar Conference, I am directed by the Marquis of Salisbury to transmit herewith a copy of a note from the Danish Minister of Foreign Affairs to Her Majesty's Legation at Copenhagen,† accepting the invitation of Her Majesty's Government to the Conference.

A copy of this note has also been sent to the Colonial Office.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 108.

British Sugar Refiners' Committee to the Marquis of Salisbury.—(Received August 16.)

My Lord,

21, Mincing Lane, London, August , 1887.

AT the time when the last International Conference on Sugar Bounties was about to take place, Her Majesty's Government very kindly put representatives of the sugar refiners in direct communication with the gentlemen who were appointed to conduct the negotiations. By this means we were enabled to become acquainted with what was going on, and to give what we believe to have been valuable assistance to the British Delegates in the many matters of technical detail which formed, in fact, the essence of the discussion. Without exaggerating the help we were able to render at that time, we think we may say that it would have been impossible for the British Delegates properly to have coped with the difficult technicalities which constantly arose unless they had had recourse to our advice.

I am desired, therefore, respectfully to ask whether your Lordship will be disposed to give us similar facilities on the present occasion.

I am also desired to repeat what we have already had the opportunity of stating on a previous occasion—that in our opinion Mr. F. G. Walpole showed conspicuous ability in the conduct of former negotiations, and that he took very great pains to make himself acquainted with all the details of this complicated subject. He would therefore appear to be the fittest person to represent Great Britain at the proposed Conference.

I am, &c.

(Signed) GEORGE MARTINEAU, *Hon. Sec.*

No. 109.

Foreign Office to British Sugar Refiners' Committee.

Sir,

Foreign Office, August 18, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the instant on the subject of the proposed International Sugar Conference, and I am to inform you, in reply, that the suggestions of the British Sugar Refiners' Committee will be borne in mind when the arrangements for the Conference are being made and the question of the appointment of a Delegate is being considered.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 110.

British Sugar Refiners' Committee to the Marquis of Salisbury.—(Received August 19.)

My Lord,

21, Mincing Lane, London, August 18, 1887.

I AM desired by the Sugar Refiners' Committee to forward to you the inclosed extract from the *procès-verbal* of the meeting of the "Chambre Syndicale des Fabricants

* Also to Colonial Office

† Inclosure in No. 105.

de Sucre de France," specially held to consider the question of the proposed International Conference for the abolition of the sugar bounties.

The Resolution adopted at that meeting protests in the strongest terms against the proposed Conference, on the grounds that a Convention would not prevent foreign Governments from giving hidden bounties to their industry; that the conditions of production are not the same in all countries; that, for instance, the French industry is utterly unable to compete with the culture and manufacture of sugar in Germany, which, owing to the German legislation, has attained to a degree of perfection unknown in France; that even under natural conditions Germany can produce more economically than France; and that it is also impossible to compete with cane-sugar on equal terms.

For these reasons the Chamber declares that it is impossible for the French sugar industry to live without bounties, protests in the strongest terms against the proposed Convention, and desires the French Government to refuse the invitation to the Conference, because the suppression of bounties would inevitably involve the destruction of the French sugar industry.

This declaration appears to be of the highest interest at the present moment. It must be borne in mind that until the change of legislation in 1884 the producers of beet-root sugar in France worked in bond, received no return of duty on export, and therefore received no bounty. Up to that time they were therefore the strongest advocates for an International Convention, and frequently pointed out that the working of the French beet-root factories under Excise supervision was a conclusive proof that such a system was practicable, easy in operation, no hindrance or injury to the manufacturers, a perfect security for the revenue, and a sure safeguard against any possibility of bounty.

It must also be recollected that Germany and Austria are now legislating, or about to legislate, in the direction of manufacturing in bond, and charging the duty only on the sugar as it goes into consumption—a system which would at once stop their present bounties. They might, no doubt, substitute for the existing bounties a direct and open payment of a premium on exportation, as has been proposed in Austria; but this will not happen if they agree to a Conference.

If, however, as is possible, the French Government accede to this urgent protest of their sugar industry and decline to join the Conference, the question will immediately arise whether Great Britain will consent to countervail the French bounty, and if that consent be not given, the proposed Conference will at once fall to the ground.

The time has therefore arrived when this question of the countervailing duty can no longer be neglected, but must be faced and dealt with on its merits, all misconceptions as to its operation having first been finally disposed of.

Great efforts have been made to misrepresent a duty to countervail a bounty as a "protectionist" and retaliatory measure, inconsistent with our commercial policy and contrary to the interests of the consumer. These representations were, however, entirely disproved in the evidence taken before the Select Committee of the House of Commons on sugar industries. It was shown there, as it has also been shown elsewhere with sufficient frequency, that a duty to countervail a bounty is consistent with free-trade principles and absolutely necessary in order to maintain them, that it is therefore in no way "protection," as commonly so called in this connection, nor retaliation, and that it is for, not against, the interest of the consumer.

The operation of a foreign bounty is to protect the foreigner on British markets. This, under our free-trade system, ought to be most strenuously resisted. The countervailing duty would simply remove the bounty and leave the foreign producer on equal terms with his competitors; it would therefore simply restore free trade. All other sugar would come in freely, and therefore the natural price of sugar would be in no way disturbed. A duty to countervail a bounty is, therefore, quite consistent with, and, in fact, necessary to the maintenance of our commercial policy, which is based on the principle that all producers should be placed on a footing of equality on our markets.

Another operation of the bounty is that natural sources of production are restricted, to the detriment of the consumer. The removal of the bounty relieves the consumer of this hindrance to the progress of natural production, and therefore benefits instead of injuring him.

It is further manifest that a duty levied on one particular sugar for the purpose of removing the bounty which it receives, while sugar from all the rest of the world comes in free, is a duty which must necessarily be paid by the producer, not by the consumer. For instance, the total annual importation of sugar into this country amounts to 1,100,000 tons, while the imports from France amount to only 52,000 tons. It is clear that if France alone refuses to abolish bounties, a duty levied to countervail the bounty

on French sugar would have to be paid by the French producer out of his bounty, if he desired, as he certainly would, to continue to send sugar to our markets.

The only effect which such a duty would have on the price of sugar would therefore be that arising from the loss of bounty to the French producer, and the consequent tendency which that loss would have to restrain the artificial over-production caused by the bounty. But at the same time natural sources of production would be relieved from the restraint put upon them by the bounty-fed competition, and would therefore expand to their natural limits *pari passu* with the check put upon the unnatural expansion of the bounty-aided production.

Though the consumer would lose the artificial, and therefore precarious, increase of production on the one side, he would have restored to him the natural increase on the other.

The question of the most-favoured-nation clause in our Commercial Treaties has been raised as a difficulty in the way of countervailing a bounty; but it is clear that the intention of that clause has been entirely frustrated by the operation of the bounty, which destroys the equality aimed at by the stipulation. As the countervailing duty restores the equality, it in reality restores the operation of the clause which the bounty had rendered nugatory. If, however, there be any technical difficulty on this point, it can be got over in the way suggested in the Report of the Select Committee on sugar industries.

For these and many other reasons which might be adduced, we beg most respectfully to urge that the principle of a duty to countervail a bounty should be admitted by Her Majesty's Government as necessary for the maintenance of free trade, strictly consistent with the established commercial policy of this country and with our Commercial Treaties, and the only way in which the permanent interests of the consumer can be secured.

I am, &c.

(Signed) GEORGÉ MARTINEAU.

Inclosure in No. 110.

CHAMBRE SYNDICALE DES FABRICANTS DE SUCRE.

Séance du Jeudi, 11 Août, 1887.

Extrait du Procès-verbal.

LA séance est ouverte sous la présidence de M. Mazurier.

Le procès-verbal de la séance du 28 Juillet est lu et adopté.

En présence du projet de Conférence, destinée à amener une Convention Internationale ayant pour but la suppression des primes sucrières mise en avant par l'Angleterre, et à laquelle le Gouvernement Français est invité à prendre part, projet qui a jeté la plus vive inquiétude dans les régions sucrières, le Président a pensé qu'il était de son devoir de réunir d'urgence la Chambre Syndicale afin qu'elle puisse délibérer sur le nouveau danger qui menace son industrie.

La Chambre, estimant que cette Convention, qui, d'ailleurs, devrait comprendre l'adhésion de tous les pays sucriers du monde, et non pas seulement celle des pays d'Europe, n'empêcherait pas les Gouvernements étrangers de gratifier leur industrie de faveurs déguisées, estimant qu'il n'existerait aucune sanction pour la faire exécuter loyalement par tous les Contractants; considérant, d'ailleurs, que les conditions économiques de production ne sont pas les mêmes dans tous les pays; que notamment la sucrerie Française est, en l'état actuel, dans l'impossibilité absolue de lutter contre la sucrerie et surtout la culture Allemande, qu'elle est en voie de transformation depuis trois ans seulement alors que sa rivale, grâce à la législation qu'elle possède depuis quarante ans, est arrivée à un degré de progrès et de perfectionnement inconnu à notre culture; considérant encore que grâce à des impôts moins élevés, à une cherté beaucoup moins grande de la main-d'œuvre et de tous les objets de consommation, charbon, &c., l'Allemagne peut produire le sucre à des conditions économiques impossibles à réaliser en France; considérant aussi que la concurrence n'est pas davantage possible contre les pays producteurs de cannes, dont certains vendent en ce moment le sac de sucre à Londres à 22 fr., c'est-à-dire, à un prix moins élevé que le coût de la betterave; la Chambre Syndicale, convaincu que la sucrerie Française est dans l'impossibilité absolue de vivre si on lui supprime les primes de fabrication et la surtaxe à l'entrée, proteste à l'unanimité et avec la dernière énergie contre le projet de Convention Internationale. Elle émet le vœu que le Gouverne-

ment Français refuse son adhésion à la Conférence et charge l'ancienne Commission des Douze, dont elle renouvelle les pouvoirs, de porter à M. le Président du Conseil sa protestation énergique contre la Convention projetée; de lui montrer que la suppression des primes entraînera fatalement et irrévocablement la mort de la culture et de l'industrie sucrière Françaises, et de le prier avec les plus vives instances de s'opposer à ce que le Gouvernement donne son adhésion à une Conférence si nuisible aux intérêts Français.

(Translation.)

SYNDICAL CHAMBER OF SUGAR MANUFACTURERS.

Meeting of August 11, 1887.

Extract from the Minutes.

THE meeting opens, M. Mazurier being in the Chair.

The Minutes of the meeting of the 28th July are read and adopted.

In view of the Conference proposed by England, and intended to lead to an International Convention for the suppression of the sugar bounties, to which the French Government is invited, and which has caused great alarm in sugar-producing districts, the President had thought it his duty to call an immediate meeting of the Syndical Chamber, so as to enable the members to consider the fresh danger by which their industry is now threatened.

The Chamber, being of opinion that such a Convention, which is to include all the sugar-producing countries of the world, and not those of Europe only, would not prevent foreign Governments from granting indirect advantages to their manufacturers; and being of opinion that there would be no penal arrangement to insure the faithful execution of the Convention by all the Contracting Powers; being, moreover, aware that the economic circumstances are not the same for the manufacturers of all countries; that the French sugar industry would be absolutely unable to hold its own against the sugar production of Germany, and especially against the beet-root as cultivated in Germany, that the French industry only began to alter its processes three years ago, while its rival—thanks to the laws by which it has profited for the last forty years—has now reached a point of progress and a degree of perfection unknown to our best farmers; having in view the fact that Germany—thanks to lower taxes, much cheaper labour, and much lower prices for all articles, such as charcoal, &c., used in manufacture—produces sugar in circumstances which are unattainable in France; having further in view the fact that it is impossible to compete any longer with cane-producing countries, some of whom sell the bag of sugar in London for 22 fr., which is less than the value of the beet-root; convinced that the French sugar industry cannot live without bounties on manufacture and protective import duties, protests against the proposed International Conference unanimously and as energetically as possible. It expresses the hope that the French Government will refuse to accede to the proposal for a Conference, and instructs the former Committee of Twelve, whose powers are renewed, to inform the President of the Council of its energetic protest against the intended Convention; to show him that the suppression of the bounties will of necessity, and without leaving any chance for a revival, kill the industries of the sugar-grower and manufacturer in France, and beg him most earnestly to oppose the participation of the Government in a Conference which will be so mischievous to French interests.

No. 111.

Sir A. Paget to the Marquis of Salisbury.—(Received August 20.)

My Lord,

Vienna, August 18, 1887.

WITH reference to my despatch of the 15th ultimo, I have the honour to inclose the translation of a note which I have to-day received from Count Kálnoky, stating that the Austro-Hungarian Government is ready to take part in the Conference which it is proposed to hold in London on the Sugar question, and requesting to be informed of the date at which Her Majesty's Government proposes that the Conference should assemble.

I have, &c.

(Signed) A. PAGET.

Inclosure in No. 111.

Count Kálmoky to Sir A. Paget.

(Translation.)

Vienna, August 16, 1887.

IN his esteemed note of the 9th July last, Her Britannic Majesty's Ambassador, Sir Augustus Paget, was pleased to address a formal invitation to the Austro-Hungarian Government to take part in an International Conference on the Sugar question, which Her Majesty's Government proposes should be held in London upon the bases laid down in his Excellency's note.

The Ministry for Foreign Affairs has now the honour to inform his Excellency, in accordance with the communications which have been made to it by the competent Departments of the Austrian and Hungarian Governments, that the Imperial Government is ready to take part in the proposed Conference.

The Undersigned, while requesting to be informed of the date at which Her Majesty's Government proposes that the Conference should meet, avails himself of the opportunity, &c.

(For the Minister for Foreign Affairs),
(Signed) PASETTI.

No. 112.

Sir L. West to the Marquis of Salisbury.—(Received August 22.)

My Lord,

Washington, August 11, 1887.

WITH reference to your Lordship's telegram of the 9th instant, I have the honour to inclose to your Lordship herewith copy of a letter which I have received from Mr. Bayard in answer to your Lordship's inquiry respecting the meeting of the Sugar Conference.

I have, &c.
(Signed) L. S. SACKVILLE WEST.

Inclosure in No. 112.

Mr. Bayard to Sir L. West.

My dear Sir Lionel,

Department of State, Washington, August 11, 1887.

I RECEIVED your note of the 7th on my return to this city last night.

In my note to you of the 25th July last, I stated the need of Congressional authority to have this Government effectively represented at the proposed Sugar Conference, and, of course, until the matter was brought before Congress by the President, no such authoritative action could be expected.

As it is, I do not see why the Conference of the other Powers should be delayed, if they deem it expedient to hold one now.

The object of the proposed Conference, as outlined in the Circular of the Foreign Office of the 2nd July, which you sent me, appears to be an abandonment of the system of bounties to sugar producers, and the United States pays none, and, consequently, we are but indirectly interested in the proposed action by the other Governments.

Yours, &c.
(Signed) T. F. BAYARD.

No. 113.

Lord Vivian to the Marquis of Salisbury.—(Received August 22.)

My Lord,

Brussels, August 20, 1887.

WITH reference to my despatch of the 6th instant, I have the honour to inclose copy of a note from the Ministry for Foreign Affairs informing me that the Belgian Government will send Delegates to the proposed International Conference at London

on questions affecting the sugar industry with instructions on the special point which the Government have reserved, as suggested in your Lordship's despatch of the 5th instant.

I have, &c.

(Signed) VIVIAN.

Inclosure in No. 113.

Prince de Chimay to Lord Vivian.

Milord,

Bruxelles, le 20 Août, 1887.

J'AI l'honneur de faire savoir à votre Excellence, en réponse à sa lettre du 6 de ce mois, que le Gouvernement du Roi, acceptant l'invitation du Gouvernement Britannique, se fera représenter à la Conférence Internationale qui se réunira à Londres pour examiner les questions fiscales se rattachant à l'industrie des sucres.

Je prends acte des déclarations bienveillantes que contient la partie finale de la lettre de votre Excellence en ce qui concerne l'accueil qui sera vraisemblablement réservé à la réserve spéciale que seront amenés à faire les Délégués du Gouvernement du Roi.

Suivant le mode de procéder suggéré par votre Excellence, ceux-ci recevront les instructions nécessaires pour exposer, en temps opportun, notre manière de voir relativement au point dont il s'agit.

Veillez, &c.

(Pour le Ministre),

Le Secrétaire-Général,

(Signé)

Baron LAMBERMONT.

(Translation.)

My Lord,

Brussels, August 20, 1887.

IN reply to your Excellency's letter of the 6th instant, I have the honour to state that the King's Government accepts the invitation of the British Government, and will be represented at the International Conference which will meet in London to discuss questions connected with the taxation of sugar.

I take act of the kind expressions used at the end of your Excellency's letter with regard to the way in which the special reservation which the Delegates of the King's Government will make will in all probability be received.

As suggested by your Excellency, the Delegates will receive instructions enabling them to explain at the proper moment what are our views on the subject in question.

I have, &c.

(For the Ministers),

The Secretary-General,

(Signed)

Baron LAMBERMONT.

No. 114.

The Marquis of Salisbury to Sir A. Paget.

Sir,

Foreign Office, August 22, 1887.

I HAVE received your Excellency's despatch of the 18th instant, inclosing the reply of the Austro-Hungarian Government to the invitation to a Conference on the Sugar question; and I have to request you to express to that Government the satisfaction of Her Majesty's Government at their acceptance, and to say that a date for the meeting of the Conference will be proposed as soon as the other Powers chiefly interested shall have answered.

I am, &c.

(Signed)

SALISBURY.

No. 115.

The Marquis of Salisbury to Mr. Egerton.

Sir,

Foreign Office, August 22, 1887.

WITH reference to Lord Lyons' despatch of the 8th ultimo, I have to request you to inform me whether you think that an answer may soon be expected from the French

[193]

I 2

Government to the invitation of Her Majesty's Government to a Conference on the Sugar question.

The following Powers have intimated their willingness to take part in it: Germany, Austro-Hungary, Spain, Holland, and Belgium, with a proviso as to her special system. The United States' Government are unable to accede until the assembling of Congress, but it is understood that they would not take exception to the meeting of the Conference without their previous concurrence.

I am, &c.
(Signed) SALISBURY.

No. 116.

Foreign Office to British Sugar Refiners' Committee.

Sir,

Foreign Office, August 22, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 18th instant, with its inclosure, containing observations on the subject of the proposed Conference on the Sugar question and on the question of imposing countervailing duty on foreign bounty-fed sugar; and I am to request that you will inform the Sugar Refiners Committee that their representations will be considered when the proper time arrives or in the contingencies adverted to by them.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 117.

*Foreign Office to Board of Trade.**

Sir,

Foreign Office, August 22, 1887.

WITH reference to the letter from this Office of the 2nd instant, I am directed by the Marquis of Salisbury to transmit to you, for the information of the Board of Trade, a translation of a note from the Austro-Hungarian Government, accepting the invitation of Her Majesty's Government to a Conference on the Sugar question.†

I am, &c.
(Signed) JAMES FERGUSSON.

No. 118.

Mr. J. G. Kennedy to the Marquis of Salisbury.—(Received August 24.)

My Lord,

Rome, August 19, 1887.

IN obedience to the instructions contained in your Lordship's Circular despatch of the 2nd ultimo, I addressed on the 11th ultimo a note to Signor Crispi, inviting the Italian Government to participate in the Conference to be held in London for consideration of the question of sugar bounties.

In reply to my inquiries, I learnt yesterday from the Director-General of the Political Department of the Foreign Office that the Italian Government had decided to avail themselves of the above invitation, but that as Italy was not a sugar producing country, and consequently not so much interested as other European countries in the question of sugar bounties, the Italian Government would probably be represented at the Conference by a member of the Italian Embassy in London.

As your Lordship is aware, the sugar industry in Italy is represented by two large sugar refineries near Genoa, which together produce annually about 600,000 quintals, or about two-thirds of the total consumption in Italy of refined sugar.

There is, moreover, a considerable export of candied fruits and chocolate, manufactured chiefly at Leghorn, Genoa, and Turin, and on which a drawback is allowed, not exceeding the amount of the tax levied on the sugar employed in the manufacture.

I have, &c.
(Signed) J. G. KENNEDY.

* Also to Colonial Office.

† No. 111.

No. 119.

Sir D. Cooper to Foreign Office.—(Received August 25.)

My dear Sir Julian,

The Lees Hotel, Folkestone, August 23, 1887.

I INCLOSE you a pamphlet (on yellow paper)* giving details of the foreign bounties on sugar, some of which details will be of use, I am sure, in arranging with the countries sending Representatives to the coming Conference on the subject.

I inclose also an account of the deputation to Lord Salisbury of the London Trades' Council, with a list of other trades' Councils, which agree with the London one.

The other papers speak for themselves. Will you please tell Sir James Fergusson that you have these papers and he might find time to look through the pamphlet. I do not like to worry him by sending direct to him.

Believe me, &c.
(Signed) DANIEL COOPER.

Inclosure 1 in No. 119.

THE BRITISH AND COLONIAL ANTI-BOUNTY ASSOCIATION.

Chairman :

Nevile Lubbock, Esq. (Chairman of the West India Committee).

Vice-Chairmen :

Sir Daniel Cooper, Bart., K.C.M.G. (of Queensland, New South Wales, and Fiji).

T. O. Easton, Esq., Messrs. Macfie and Sons, Sugar Refiners, Liverpool.

Henry Tate, Esq., Messrs. Henry Tate and Sons, Sugar Refiners, London and Liverpool.

Committee :

The Right Hon. the Earl of Harewood (Barbados).

The Right Hon. Viscount Combermere (Leeward Islands).

Sir Charles Tennant, Bart., Messrs. Charles Tennant, Sons, and Co. (West Indies).

Sir Thomas Thornhill, Bart. (Barbados).

Sir John B. Lawes, Bart., Lawes' Chemical Manure Company (Limited).

Sir George H. Chambers, Messrs. Thomas Daniel and Co., Limited (West Indies).

James B. Alliot, Esq., Messrs. Manlove, Alliot, Fryer, and Co., Engineers, Nottingham.

Henry Brandon, Esq. (Queensland).

Theodore Brooks, Esq.

W. M. Campbell, Esq., Messrs. Hogg, Curtis, Campbell, and Co. (West Indies).

Robert Russell Carew, Esq. (India).

J. G. Chapman, Esq., Messrs. Fawcett, Preston, and Co., Engineers, Liverpool.

Alderman and Colonel Cowan, Messrs. L. Cowan and Sons, Sugar Refiners, London.

C. J. Crosfield, Esq., Messrs. Crosfield, Barrow, and Co., Sugar Refiners, Liverpool.

James Duncan, Esq., Chairman of the British Sugar Refiners' Committee.

C. Washington Eves, Esq. (Jamaica).

James Fraser, Esq. (Messrs. Ireland, Fraser, and Co., Mauritius).

T. C. Garth, Esq. (Barbados).

Rodolph A. Hankey, Esq., Messrs. Thomson, Hankey, and Co. (West Indies).

J. S. Hill, Esq., Messrs. Young, Ehlers, and Co. (Australia).

R. J. Jeffray, Esq. (Victoria, Queensland).

H. J. Jourdain, Esq., C.M.G., Messrs. Blyth, Greene, Jourdain, and Co. (Mauritius).

Robert Kerr, Esq., The Glebe Sugar Refining Company, Greenock.

J. Lamont, Esq. (West Indies).

A. Lyle, Jun., Esq., Messrs. Abram Lyle and Sons, Sugar Refiners, London.

John McConnell, Messrs. John McConnell and Co. (British Guiana).

Fred Man, Esq., Messrs. E. D. and F. Man, Produce Brokers, London.

George Martineau, Esq. (Messrs. David Martineau and Sons; Hon. Secretary, British Sugar Refiners' Committee).

Audley C. Miles, Esq. (Barbados).

T. Neill, Esq., Clyde Sugar Refining Company.

Charles Parbury, Esq., Messrs. F. Parbury and Co. (Australia).

* Not printed.

Daniel de Pass, Esq. (Natal).
 J. C. Shaw, Esq. (Messrs. Parry and Co., Madras).
 W. P. B. Shephard, Esq., M.A., F.S.S., Barrister-at-Law, Lincoln's Inn (Barbados).
 W. Tennant, Esq. (Trinidad).
 J. Ernest Tinne, Esq., Chairman, West India Association, Liverpool.
 Hermann Voss, Esq., The Anglo-Continental Guano Works.
 Sydney Wallis, Esq., Messrs. Scott, Simpson, and Wallis, Produce Brokers, London.
 M. Woodhouse, Esq., Messrs. C., M. and C. Woodhouse, Produce Brokers, London.

Treasurers :

W. Middleton Campbell, Esq.
 James Duncan, Esq.
 H. J. Jourdain, Esq., C.M.G.

Secretary :

James L. Ohlson, Esq. (Secretary of the West India Committee).

Offices :—51, Lime Street, London, E.C.

This Association has been formed in order to arouse public attention to the injury inflicted upon British and colonial interests, and upon the working classes, by the system which prevails in many foreign countries of granting bounties, thereby giving the industries of those countries an artificial advantage in British markets—to prove that such bounties are destructive of free trade within the Empire—and either to bring about their abolition, or to neutralize their pernicious effect.

The continental system of granting bounties on sugar has been continuously extended, and the injury caused to British interests has consequently increased year by year. Recently the system has been applied to other interests, and it is evident that no industries similarly attacked can in the long run successfully withstand a competition subsidized by the unlimited resources of European Governments.

The influence which the bounty system exercises in disturbing the natural course of industry throughout the world has been clearly proved in the case of sugar. Notwithstanding the magnitude of the sugar industry, and the fact that sugar is produced by a larger number of countries in the eastern and western hemispheres than probably any other commodity, while also its production can and would be indefinitely extended if left to the natural influence of demand and supply, it is a remarkable fact that the world now depends for one-half of its sugar upon the subsidized and inferior article.

This Association therefore calls upon those who believe in the essential doctrines of free trade, and all others, especially those who are interested in maintaining legitimate means of employment for our working classes, to assist in removing that which is "an undoubted outrage on economic laws," and in restoring, so far as British markets are concerned, free trade in sugar.

The Association consists of gentlemen interested in the sugar industries of India, Mauritius, Queensland, New South Wales, Fiji, Natal, the West Indies, and British Guiana, the sugar refiners of the United Kingdom, engineers, and others injuriously affected by the bounty system.

Subscriptions of any amount will be received. They may be paid to the Secretary, at 51, Lime Street, London, or sent direct to the Bankers, Messrs. Robarts, Lubbock, and Co., 15, Lombard Street, London.

(Signed)

N. LUBBOCK, *Chairman*.

JAMES L. OHLSON, *Secretary*.

51, Lime Street, London, July 1887.

Inclosure 2 in No. 119.

FOREIGN BOUNTIES ON SUGAR.

THE foreign bounties on the exportation of sugar have caused much loss, injury, and suffering to the sugar-producing Colonies of the Empire, and to important home industries. They have enabled an artificial bounty-fed foreign industry to dominate what should be free British markets, and have thus produced distrust, prevented capital from finding its way to places where it is well known that sugar can be most cheaply produced, and rendered unproductive a large amount of capital already invested. They constitute

an attack by foreign Powers on British capital and labour, by which not only are natural sources of production injured and restricted, but British producers are denied free competition even in their own markets. Acquiescence in this attack is inconsistent with our commercial policy, which demands free competition on British markets for all producers, British and foreign, by which alone the permanent interests of the consumer can be secured.

Liberal and Conservative Governments have vied with each other in their efforts to obtain the abolition of these bounties, and they would undoubtedly have been successful in obtaining an International Convention effecting this object, if they had consented to a penal clause similar to that which had been accepted, without question, in the Convention entered into by Great Britain, France, Holland, and Belgium, in 1864. By this clause the principle of a duty to countervail a bounty was admitted, and those who have thought it out are convinced that it is a sound one, in which opinion they are supported by very competent authorities. The home and colonial sugar trade do not regard the actual imposition of a countervailing duty as essential to remove bounties, because they believe that statutory power to impose such a duty—similar to the power now vested in the Queen in Council in the case of shipping—coupled with judicious negotiations on that basis, would result in their abolition. But even if it were necessary, it is clear that a duty to intercept the bounty would restore free competition, by removing the bounty from the market and securing it for the revenue, and would therefore be a tax on bounties not on sugar, inasmuch as all sugar not bounty-aided, whether British or foreign, would be imported duty free. The operation of such a duty would leave the price of sugar exactly what it would be were there no bounty and no duty, and would therefore immediately attain the end which long-continued negotiations have sought but failed to secure. The result therefore would be the same, as regards the consumer, whether the bounty were countervailed by duty or abolished by Treaty; but if countervailed, the bounty, instead of being lost, would be accepted for the revenue to the relief of taxation. The object is solely to obtain freedom of competition for all the world in British markets, and is, therefore, in no way concerned with the foreign protective tariffs which hinder or prohibit our exports to foreign markets, and no question of reciprocity or retaliation can possibly be involved.

The Association does not advocate any fiscal measures tending to raise prices above natural prices, operating exceptionally in favour of our national industries and trade, intercepting any natural advantages possessed by the subjects of other States, or having any effect or prices other than the absence or abolition of foreign bounties would have.

*British and Colonial Anti-Bounty Association,
51, Lime Street, London, July 1887.*

No. 120.

Mr. Egerton to the Marquis of Salisbury.—(Received August 25.)

My Lord,

Paris, August 24, 1887.

WITH reference to your Lordship's despatch of the 22nd instant, I inquired to-day at the Ministry for Foreign Affairs when it was probable that the answer of the French Government would be sent to the invitation of Her Majesty's Government to a Conference on the Sugar question, and was told by M. Clavery that he could not say exactly when the three Ministries, to whom the matter has been referred, will give their decision; it is only, however, a day or two since the Ministry of Finance was reminded of the question being urgent.

I am afraid, therefore, that it may be a few weeks yet before the French answer may be expected; but, in answer to a question I put, M. Clavery told me he saw no reason why it should not be ready before the meeting of the Chambers.

Alluding to a statement in Parliament that certain Powers had accepted the invitation to the Conference with reserves, M. Clavery said he would be glad to know the nature of the reserves made. I answered, that in your Lordship's communication to me, you had mentioned only one Government as making a reserve.

I have, &c.

(Signed) EDWIN H. EGERTON.

No. 121.

The Marquis of Salisbury to Lord Vivian.

My Lord,

Foreign Office, August 25, 1887.

I HAVE received your Lordship's despatch of the 20th instant, inclosing a note from the Belgian Ministry for Foreign Affairs stating that the Belgian Government will send Delegates to the Conference proposed to be held in London in connection with the sugar industries; and I have to request you to signify to the Belgian Government the satisfaction with which Her Majesty's Government have learned this intelligence.

I am, &c.

(Signed) SALISBURY.

No. 122.

The Marquis of Salisbury to Mr. J. G. Kennedy.

Sir,

Foreign Office, August 25, 1887.

I HAVE received your despatch of the 19th instant, informing me that the Italian Government had decided to accept the invitation of Her Majesty's Government to a Conference on the Sugar question; and I have to request you to express to the Italian Government the satisfaction of Her Majesty's Government at their decision.

I am, &c.

(Signed) SALISBURY.

No. 123.

Foreign Office to Sir D. Cooper.

Sir,

Foreign Office, August 26, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 23rd instant, inclosing documents relating to the question of sugar bounties, and to add that his Lordship would be much obliged if you would be so kind as to furnish him with two more copies of the documents in question, in order that they may be communicated to the Board of Trade and to the Colonial Office.

I am, &c.

(Signed) JAMES FERGUSON.

No. 124.

The Marquis of Salisbury to Sir A. Paget.

Sir,

Foreign Office, August 27, 1887.

WITH reference to my despatch of the 22nd instant, I have to inform your Excellency that, besides Austria-Hungary, the following countries have accepted unconditionally the invitation of Her Majesty's Government to the proposed Sugar Conference, viz., Germany, Italy, the Netherlands, Spain, and Denmark.

The United States' Government are not able to reply until the meeting of Congress, but it is understood that they have no objection to the assembly of the Conference without waiting for their answer.

No answers have been received from France, Russia, Sweden, and Norway, and Portugal, and your Excellency will see from the inclosed copy of a despatch from Mr. Egerton, that some weeks may probably elapse before the answer of the French Government will be received.

I may add that the Belgian Government wish to retain the right of not refining in bond, and that their Delegates will be instructed to demand the exclusion of this point from the sphere of discussion.

I am, &c.

(Signed) SALISBURY.

No. 125.

The Marquis of Salisbury to Mr. Egerton.

Sir,

Foreign Office, August 27, 1887.

WITH reference to the last paragraph of your despatch of the 24th instant, I inclose, for your information, copies of correspondence with Her Majesty's Minister at Brussels,* from which you will see that although in the first instance the Belgian Government accepted conditionally the invitation of Her Majesty's Government to the proposed Sugar Conference, they subsequently accepted it unconditionally, and that their Delegates will be instructed to bring forward at the Conference their views on the question of the retention of the right of refining in bond.

Every country, therefore, that has accepted the invitation to the Conference, has done so practically without reserve.

I am, &c.

(Signed) SALISBURY.

No. 126.

Foreign Office to Sir D. Cooper.

Sir,

Foreign Office, August 30, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 27th instant, and to thank you for the further copies of pamphlets relative to the Sugar question forwarded therewith.†

I am, &c.

(Signed) JAMES FERGUSON.

No. 127.

Colonial Office to Foreign Office.—(Received September 2.)

Sir,

Downing Street, September 1, 1887.

I AM directed by Secretary Sir Henry Holland to transmit to you, to be laid before the Marquis of Salisbury, a copy of a letter from the Chairman of the West India Committee, calling attention to and commenting on certain views entertained by the Association of manufacturers of raw sugar in France respecting the proposed International Conference on the sugar bounties.

I am to request that you will move Lord Salisbury to inform Sir H. Holland what reply should be given to the West India Committee as to the progress of the arrangements for the Conference.

I am, &c.

(Signed) JOHN BRAMSTON.

Inclosure in No. 127.

West India Committee to Sir H. Holland.

Sir,

51, Lime Street, London, August 24, 1887.

I AM desired by the West Indian Committee to call your attention to certain views respecting the proposed International Conference on the sugar bounties entertained by an influential body in France, the proceedings of which are reported in the "Journal des Fabricants de Sucre" of the 17th instant. The Association of manufacturers of raw sugar ("fabricants") in France are reported therein to have had a meeting on the 11th instant, in which it was resolved that the economical conditions of production "are not the same as in all countries; that notably the French sugar industry in its present state finds it absolutely impossible to compete against the sugar industry generally, and above all of the German cultivation; that it has been in a state of transformation for three years only, while its rival industry, thanks to the legislation

* Nos. 92, 96, and 113.

† See request made in No. 123.

that it possessed during forty years, has arrived at a degree of progress and perfection unknown to our cultivation. Considering besides that, thanks to less taxation, to a much less expense for labour, and for all materials, such as coal, &c., Germany can produce sugar under economical conditions impossible to realize in France; considering also that competition is not possible against the producers of cane sugar of which certain qualities are sold at this moment in London at 22 fr. per sac, that is to say, at a less price than the cost of the beet-root, this Chamber, convinced that the French sugar industry finds it impossible to live if the premiums on fabrication and the surtax on importation are suppressed, unanimously protests, and with the greatest possible energy, against the proposed International Conference. They throw out the view that the French Government should refuse its adhesion to the Conference and remit to the old Committee of twelve the powers which it renews, to place before the President of the Council its energetic protest against the proposed Convention; and also to show that the suppression of the premiums will result irrevocably in the extinction of the cultivation and of the French sugar industry, and to pray him in the most earnest manner to oppose the proposal that the Government should give its adhesion to a Conference so detrimental to French interests."

We beg to point out to you, Sir, the above confirmation of the view that we have always expressed, that without bounties the French beet-sugar production could not compete successfully with that of the cane, but our object in writing this letter is to impress upon Her Majesty's Government that, whether France immediately comes into the Conference or not, the said Conference should be held as soon as possible. There can be little doubt, when the Conference begins its work, that France will see the necessity of joining in its proceedings. We would therefore most earnestly urge upon you, Sir, that there should be no delay in the negotiations for the convening of the Conference.

We should be glad if you would kindly inform us of the present position of affairs and of the proceedings connected with the progress of the negotiations; and we would respectfully suggest that it is very desirable that the Government should give the British industries interested in this important international question the opportunity of expressing their opinion upon any points which may arise either before or after the convening of the proposed Conference.

I have, &c.
(Signed) N. LUBBOCK, *Chairman.*

No. 128.

Foreign Office to Colonial Office.

Sir,

Foreign Office, September 5, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 1st instant, inclosing copy of one from the West India Committee, respecting the Sugar question.

In reply to the second paragraph of your letter, I am to suggest that the Committee may be informed that the following countries have accepted the invitation of Her Majesty's Government to a Conference on this question, viz:—

Austria-Hungary.
Germany.
Italy.
Holland.
Spain.
Denmark.
Belgium.

The United States' Government are unable to answer the invitation till Congress meets, but they are understood not to object to the meeting of the Conference without waiting for their answer.

The following countries have not answered:—

France.
Russia.
Sweden-Norway.
Portugal.
Brazil.

I am further to suggest that the Committee may be informed that if the proposed Conference should take place, Associations interested in the question will be afforded the opportunity of stating their views.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 129.

Mr. de Bunsen to the Marquis of Salisbury.—(Received September 7.)

My Lord,

Lisbon, September 2, 1887.

WITH reference to Mr. Petre's despatch of the 14th July, I have the honour to transmit to your Lordship herewith a translation of a note which I have received from Señor de Barros Gomes, the Portuguese Minister for Foreign Affairs, in reply to the invitation which was addressed to him by Mr. Petre, on behalf of Her Majesty's Government, to take part in the proposed Conference in London for the discussion of certain questions connected with the sugar industry.

His Excellency states that the Portuguese Government, having no special interest in this matter, will abstain from taking part in the Conference, but will examine the resolutions adopted by it with due attention.

I have, &c.
(Signed) MAURICE DE BUNSEN.

Inclosure in No. 129.

Señor Gomes to Mr. de Bunsen.

(Translation.)

Sir,

Foreign Department, Lisbon, September 1, 1887.

HIS Majesty's Government have taken cognizance of the inclosed Circular addressed by the Foreign Office to Mr. Petre, in order to obtain the participation of Portugal in a Conference, having for its object the establishment in different countries of an uniform rate of duty on the manufacture and refinement of sugar. I now beg to reply, in view of the opinion expressed by the proper Department, that His Majesty's Government, inasmuch as they have no special interest in the matter, abstain from taking part in the proposed Conference; they will, nevertheless, examine with due attention any decisions that may be come to therein.

I avail, &c.
(Signed) BARROS GOMES.

No. 130.

The Marquis of Salisbury to Mr. Corbett.

Sir,

Foreign Office, September 7, 1887.

COUNT PIPER, the Swedish-Norwegian Minister, called at this Office on the 7th instant, and stated that he had received a telegram from his Government directing him to ask when the Sugar Conference was likely to meet; whether the Powers would be represented by their Ministers or by special Envoys; and if they would probably be accompanied by experts.

Sir James Fergusson said that the date of meeting could not be fixed till all the Powers had answered the invitation, and at present France and one or two others had not done so. It would then be assembled as soon as the necessary arrangements could be made.

Her Majesty's Government, Sir J. Fergusson said, would probably be represented by a special Delegate, and he did not think that an expert would be attached to him. The Conference would probably resemble that which was held at Rome on the question of the protection of industrial property, or the Berne Copyright Conference.

Count Piper said he had heard that France was not likely to join, and asked if her refusal would bring the proposal to an end. Sir J. Fergusson replied that we had no

[193]

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reason to believe that France would not join, but that he did not see how any good result could be obtained if she should hold aloof.

I am, &c.
(Signed) SALISBURY.

No. 131.

*Foreign Office to Board of Trade.**

Sir,

Foreign Office, September 8, 1887.

WITH reference to my letter of the 25th ultimo, I am directed by the Secretary of State for Foreign Affairs to transmit to you, to be laid before the Board of Trade, the accompanying copy of a despatch, as marked in the margin,† reporting that Portugal will not take part in the Sugar Conference.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 132.

M. Catalani to the Marquis of Salisbury.—(Received September 14.)

(Translation.)

My Lord,

London, September 12, 1887.

HER Majesty's Embassy in Rome having invited the King's Government to take part in the Conference to be held in London on the question of regulating the treatment of sugar, his Excellency the Cavaliere Crispi has instructed me to inform your Excellency that His Majesty's Government accepts the invitation with thanks.

The King's Government having further done me the honour to charge me with representing it as its Delegate at the said Conference, I beg to inform your Excellency of the determination thus taken, and would add that I am now ready to take part at its sittings and in its labours as soon as your Excellency shall have informed me as to what has been arranged with regard to them.

I have, &c.
(Signed) T. CATALANI.

No. 133.

Colonial Office to Foreign Office.—(Received September 15.)

Sir,

Downing Street, September 14, 1887.

I AM directed by the Secretary of State for the Colonies to transmit to you, for the information of the Marquis of Salisbury, the accompanying document with reference to your letter of the 5th instant.

I am, &c.
(Signed) ROBERT G. W. HERBERT.

Inclosure in No. 133.

Colonial Office to West India Committee.

Sir,

Downing Street, September 14, 1887.

WITH reference to your letter of the 24th ultimo, I am directed by Secretary Sir Henry Holland to inform you that the following countries have accepted the invitation of Her Majesty's Government to a Conference on the subject of sugar bounties, namely, Austria-Hungary, Germany, Italy, Holland, Spain, Denmark, and Belgium.

The United States' Government are unable to answer the invitation till Congress meets, but they are understood not to object to the Conference meeting without waiting for their answer.

* Also to Colonial Office.

† Inclosure in No. 129.

The following countries have not answered :—

France, Russia, Sweden and Norway, Brazil.

Portugal has declined to take part in the Conference.

I am to add that if the proposed Conference takes place, Associations interested in the questions to be discussed will be afforded the opportunity of stating their views.

I am, &c.

(Signed) ROBERT G. W. HERBERT.

No. 134.

Mr. Egerton to the Marquis of Salisbury.—(Received September 19.)

My Lord,

Paris, September 17, 1887.

I HAVE the honour to inclose herewith copy of the answer of the French Government to the invitation to take part in an International Sugar Conference in London, which Lord Lyons addressed to them in compliance with the instructions contained in your Lordship's Commercial Circular of the 2nd July.

M. Flourens says in his note that the importance and difficulty of the questions contained in the programme of the Conference, more especially in view of the new French sugar legislation, has required a careful study of the proposals of Her Majesty's Government by the French Departments of State concerned.

Though this examination is not yet completed, the French Government agree in principle to the proposed meeting of the Conference; but their final acceptance is dependent on two conditions, viz., that all the States invited shall take part in the Conference, and that the French Government will retain full liberty of action.

M. Flourens asks, in conclusion, to be furnished with a complete list of the States which have been invited to take part in the Conference, and the sense of the answers which have as yet reached Her Majesty's Government.

I have, &c.

(Signed) EDWIN H. EGERTON.

Inclosure in No. 134.

M. Flourens to Mr. Egerton.

Monsieur,

Paris, le 16 Septembre, 1887.

A LA date du 8 Juillet dernier, son Excellence Lord Lyons a bien voulu, au nom du Gouvernement de Sa Majesté Britannique, inviter officiellement le Gouvernement Français à prendre part à une Conférence Internationale sur le régime des sucres, qui se réunirait à Londres et serait composée de Délégués appartenant aux principaux États intéressés.

L'importance des questions complexes que soulève le programme de la Conférence, tel qu'il est tracé dans la Circulaire de Lord Salisbury, a nécessité, de la part des Administrations Françaises compétentes, en présence surtout de la nouvelle législation sucrière de la France, une étude attentive des propositions du Cabinet de Londres. Bien que cet examen ne soit pas encore complètement terminé, je puis dès à présent vous annoncer, Monsieur, que le Gouvernement de la République adhère, en principe, au projet de réunion de la Conférence. Son acceptation définitive demeure, toutefois, subordonnée à la double condition que tous les États qui ont été convoqués y prendront part et qu'il conservera complètement sa liberté d'action.

En vous priant de vouloir bien porter cette décision à la connaissance de votre Gouvernement, je vous serais obligé de faire part au Marquis de Salisbury du prix que nous attacherions à connaître la liste des États qui ont été invités à participer à la Conférence, ainsi que le sens des réponses qui sont parvenues, jusqu'ici, au Cabinet de Londres.

Agréez, &c.

(Signé) FLOURENS.

(Translation.)

Sir,

Paris, September 16, 1887.

ON the 8th July last his Excellency Lord Lyons was so good as to invite the French Government officially, in the name of Her Britannic Majesty's Government, to take part

in an International Conference on the Sugar question which it is proposed shall meet in London, and be composed of Delegates from the principal States interested.

The importance of the complicated questions raised by the programme of the Conference as foreshadowed by Lord Salisbury's Circular made it necessary for the branches of the French Administration interested carefully to examine the proposals made by the London Cabinet, especially in view of the recent changes made in French legislation on the taxation of sugar. Although the examination in question is not yet complete, I may at once inform you that the Government of the Republic adheres in principle to the proposal to summon a Conference. Their acceptance is, however, subject to the two conditions that all the States invited take part in it, and that they (the French Government) preserve their full liberty of action.

I beg you to bring this decision to the knowledge of your Government, and I beg to add that I should be obliged if you would inform Lord Salisbury that we should be very glad to know what States have been invited to take part in the Conference, and what answers have up till now been received by the London Cabinet.

I avail, &c.
(Signed) FLOURENS.

No. 135.

The Marquis of Salisbury to M. Catalani.

M. le Chargé d'Affaires,

Foreign Office, September 20, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 12th instant, informing me that the Italian Government accept the invitation to take part in the proposed Conference on the Sugar question.

I beg to request you to convey to the King's Government the thanks of Her Majesty's Government for this communication, and I have the honour to add that it will give me much pleasure to inform you in due time, as Delegate of the Italian Government to the Conference, of the time and date which may eventually be proposed for its meeting.

I have, &c.
(Signed) SALISBURY.

No. 136.

The British Sugar Refiners' Committee to the Marquis of Salisbury.—(Received September 23.)

My Lord,

21, Mincing Lane, September 22, 1887.

WITH reference to my letter of the 18th August, I am desired by the British Sugar Refiners' Committee respectfully to ask whether Her Majesty's Government contemplate fixing any limit of time beyond which it would be undesirable that the French Government should further delay the meeting of the Conference on Sugar Bounties by failing to reply definitely to the invitation, and whether, if such a limit of time be fixed, it is the intention of Her Majesty's Government, on its expiration, to invite the other Powers to assemble without the co-operation of the French Government.

The influence of the foreign bounty-fed competition upon the legitimate trade of British refiners in their own markets is becoming so rapidly intensified that they feel that no further delay should take place in procuring some remedy for a state of things which is entirely without a parallel in the annals of British industry, no other manufacturers, so far as they are aware, having ever been prevented by the State subsidies of foreign Governments from selling British goods on British markets.

My Committee venture to hope, therefore, that your Lordship may very shortly be able to inform them that the Conference is about to be held without further delay.

I am, &c.
(Signed) GEORGE MARTINEAU.

No. 137.

*The Marquis of Salisbury to Sir R. Morier.**

(Telegraphic.)

Foreign Office, September 23, 1887, 5 P.M.

SUGAR question.

Endeavour to obtain answer to invitation in Circular despatch of 2nd July.

No. 138.

The Marquis of Salisbury to Mr. Egerton.

Sir,

Foreign Office, September 23, 1887.

IN reply to your despatch of the 17th instant, upon the subject of the proposed Sugar Conference, I have to request you to inform the French Government, in answer to their inquiry, that, of the Governments invited to take part, those of Austria-Hungary, Belgium, Denmark, Germany, Italy, the Netherlands, and Spain have accepted unconditionally. The United States' Government cannot accept till the meeting of the Senate, but have no objection to the opening of the Conference before that time. They state, however, that they are not much interested in the question, as they do not give bounties. The Government of Portugal has declined, having no interest in the question; and the Governments of Russia, Brazil, and Norway and Sweden have not replied. But the last-mentioned, it is believed, will probably decline for the same reason as Portugal. You will express the hope that the acceptance of the Powers referred to will induce the French Government to agree to participate, and you will ask for an early answer, as Her Majesty's Government wish to convoke the meeting at as early a date as possible.

I am, &c.

(Signed) SALISBURY.

No. 139.

Sir R. Morier to the Marquis of Salisbury.—(Received September 24.)

(Telegraphic.)

St. Petersburg, September 24, 1887.

RUSSIA accepts invitation, and when date of meeting is fixed will appoint Delegate.

No. 140.

The Marquis of Salisbury to Mr. Egerton.

(Telegraphic.)

Foreign Office, September 26, 1887, 2.30 P.M.

SUGAR question.

Inform M. Flourens that Russia has accepted invitation.

No. 141.

Foreign Office to British Sugar Refiners' Committee.

Sir,

Foreign Office, September 27, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 22nd instant on the subject of the proposed Sugar Conference; and, in reply, I am to inform you that Her Majesty's Government have pressed for a definite answer from the French Government to the invitation addressed to them to join the Conference.

I am, &c.

(Signed) P. CURRIE.

* Also to Mr. Macdonell.

No. 142.

*Foreign Office to Board of Trade.**

Sir,

Foreign Office, September 27, 1887.

I AM directed by the Marquis of Salisbury to transmit to you herewith, to be laid before the Board of Trade, the accompanying copy of a note from the Italian Chargé d'Affaires at this Court announcing that the Italian Government will take part in the proposed Sugar Conference.†

I am, &c.
(Signed) P. CURRIE.

No. 143.

Sir R. Morier to the Marquis of Salisbury.—(Received September 30.)

My Lord,

St. Petersburg, September 24, 1887.

I COMMUNICATED to the Russian Government your Lordship's Circular despatch of the 2nd July last on the subject of the proposed Conference with regard to the sugar industry, and after repeated verbal reminders, have to-day received a note from M. Vlangaly informing me that the Imperial Government accept the invitation to the Conference in question, and will appoint a Delegate to attend it, as soon as the date of its meeting is announced.

I had the honour to inform your Lordship of this reply of the Russian Government in a telegram dispatched to-day.

I have, &c.
(Signed) R. B. D. MORIER.

No. 144.

Foreign Office to Board of Trade.

Sir,

Foreign Office, October 1, 1887.

I AM directed by the Secretary of State for Foreign Affairs to transmit to you, to be laid before the Board of Trade, the accompanying copy of a despatch, as marked in the margin,‡ reporting that Russia accepts the invitation to the proposed Sugar Conference.

I am, &c.
(Signed) JAMES FERGUSON.

No. 145.

Mr. Macdonell to the Marquis of Salisbury.—(Received October 5, 3.43 P.M.)

(Telegraphic.)

Rio de Janeiro, October 5, 1887, 10.55 A.M.

BRAZIL accepts invitation.

No. 146.

The Marquis of Salisbury to Mr. Corbett

(Telegraphic.)

Foreign Office, October 6, 1887, 5.30 P.M.

SUGAR question.

Press for answer to invitation.

* Also to Colonial Office.

† No. 132.

‡ No. 143.

No. 147.

Mr. Corbett to the Marquis of Salisbury.—(Received October 7.)

(Telegraphic.)

Stockholm, October 7, 1887.

SWEDEN accepts, but Norway declines. Formal answer will be soon given.

No. 148.

The Marquis of Salisbury to Mr. Egerton.

Sir,

Foreign Office, October 7, 1887.

WITH reference to my despatch of the 26th ultimo, I have to request you to inform the French Government that Her Majesty's Minister at Rio has reported, by telegraph, that the Brazilian Government have accepted the invitation to the Sugar Conference.

I am, &c.

(Signed) SALISBURY.

No. 149.

The Marquis of Salisbury to Mr. Egerton.

Sir,

Foreign Office, October 7, 1887.

WITH reference to my telegram of the 26th ultimo, I have to request you to inform the French Government that the Government of Norway will not be represented at the proposed Sugar Conference, but that the Government of Sweden has accepted the invitation addressed to them.

I am, &c.

(Signed) SALISBURY.

No. 150.

*Foreign Office to Board of Trade.**

Sir,

Foreign Office, October 7, 1887.

WITH reference to my letter of the 1st instant, I am directed by the Marquis of Salisbury to state to you, for the information of the Lords of the Committee of Privy Council for Trade, that Her Majesty's Minister at Rio has reported by telegraph that Brazil has accepted the invitation to the Sugar Conference.

I am, &c.

(Signed) P. CURRIE.

No. 151.

Colonial Office to Foreign Office.—(Received October 10.)

Sir,

Downing Street, October 7, 1887.

WITH reference to previous correspondence on the subject of the proposed Conference on the sugar industries, I am directed by Secretary Sir Henry Holland to transmit to you a copy of a letter from the West India Committee, urging an early meeting of the Conference, and to inquire what reply to this letter Lord Salisbury would suggest.

I am, &c.

(Signed) EDWARD WINGFIELD.

* Also to Colonial Office.

Inclosure in No. 151.

West India Committee to Sir H. Holland.

Sir,

51, Lime Street, London, September 28, 1887.

I HAVE the honour to acknowledge the receipt of Sir Robert Herbert's letter of the 14th instant, enumerating the countries which had accepted the invitation of Her Majesty's Government to a Conference on the subject of the sugar bounties.

I am instructed to inquire, as France is the only important country connected with the question which had not replied at the date of Sir Robert Herbert's letter, whether any communication has now been received from the French Government. In any case, we beg respectfully and most earnestly to urge upon you in justice to the countries which have replied, and also to the interests of the British sugar industry, the desirability of convening the Conference as soon as possible. Should France not take part in the early meetings of such Conference (and as the bounty on the coming crop is estimated at 4,000,000*l.*, it is not likely the French industry will approve of an immediate Convention to abolish bounties), there can be little doubt that she would eventually participate in any result arrived at. We therefore suggest that the absence of a reply from France should be no obstacle to the meeting of the Conference, and we hope to have the honour of receiving from you, Sir, an intimation of the probable date at which the Conference will meet.

I have, &c.

(Signed) N. LUBBOCK, *Chairman.*

No. 152.

Mr. Corbett to the Marquis of Salisbury.—(Received October 17.)

My Lord,

Helsingborg, October 12, 1887.

REFERRING to my telegram and subsequent despatch of the 7th instant, I have the honour to inclose copy of a note I have received from the Minister for Foreign Affairs, in which his Excellency informs me that he transmitted to the proper authorities in Sweden and Norway the invitation of Her Majesty's Government to take part in the Conference about to take place in London relative to the sugar bounties, and that the Swedish Minister of Finance has appointed Mr. Robert Dickson, Under-Secretary of that Department, to represent Sweden at the Conference.

The Norwegian Government, Count Ehrensvärd adds, has decided to take no part in the Conference, the question of sugar bounties having little interest for that country. Count Ehrensvärd concludes by requesting me to inform him of the date at which the Conference will meet.

I have, &c.

(Signed) EDWIN CORBETT.

Inclosure in No. 152.

Count Ehrensvärd to Mr. Corbett.

M. le Ministre,

Stockholm, le 10 Octobre, 1887.

PAR une lettre en date du 9 Juillet dernier, vous avez bien voulu, au nom du Gouvernement de Sa Majesté Britannique, inviter les Royaumes-Unis à se faire représenter à la Conférence qui doit se tenir prochainement à Londres pour discuter différentes questions se rapportant aux primes attachées à l'exportation du sucre.

Je me suis empressé de transmettre cette invitation aux autorités compétentes en Suède et en Norvège et M. le Ministre des Finances de Suède vient de m'informer que M. Robert Dickson, Secrétaire-Général au Ministère des Finances, a été désigné pour représenter la Suède à cette Conférence. Le Gouvernement Norvégien, considérant le peu d'importance que la solution de ces questions aura pour la Norvège, m'a fait savoir qu'il s'est décidé à ne pas envoyer de Délégué à la dite Conférence.

En portant ce qui précède à votre connaissance, je vous prie de vouloir bien m'informer de la date de l'ouverture de la Conférence et saisis, &c.

(Signé)

EHRENSVÄRD.

(Translation.)

M. le Ministre,

Stockholm, October 10, 1887.

BY your letter of the 9th July last you were so good as to invite the United Kingdoms, in the name of Her Britannic Majesty's Government, to be represented at a Conference which is to meet shortly in London to discuss various questions connected with bounties on the exportation of sugar.

I did not fail to transmit this invitation to the proper authorities in Sweden and Norway, and the Swedish Minister of Finance has now informed me that M. Robert Dickson, Secretary-General at the Ministry of Finance, has been chosen to represent Sweden at the Conference. In consequence of the small importance which the solution of these questions has for Norway, the Norwegian Government has informed me that they have decided not to send a Delegate.

In bringing the above to your knowledge, I would beg you to inform me of the date fixed for the opening of the Conference, and avail, &c.

(Signed)

EHRENSVÄRD.

No. 153.

The Marquis of Salisbury to Mr. Egerton.

(Telegraphic.)

Foreign Office, October 24, 1 P.M.

MAY M. Flourens' note of 16th September be now taken as French acceptance? Meeting of Conference only delayed for French acceptance.

No. 154.

Mr. Egerton to the Marquis of Salisbury.—(Received October 24, 6.15 P.M.)

(Telegraphic.)

Paris, October 24, 1887, 5.5 P.M.

M. FLOURENS adheres to what he said in his note of the 16th September, and accepts invitation to Sugar Conference should rest of Powers have accepted; formal answer probably to-morrow.

No. 155.

*Mr. G. Shute to Sir James Fergusson.—(Received October 25.)**Thames Sugar Refinery,*

Honoured Sir,

Silvertown, Essex, October 22, 1887.

I VENTURE, personally, to humbly address you, as one of the delegates of a strong but not noisy nor demonstrative Association of genuine sugar operatives, now organized, and which hopes to be able to wait upon you at an early date, praying the Government to cause the abolition of the foreign sugar bounties.

I beg to draw your attention to the fact that we are all actually at our daily work, being all old employés of respectable firms, and have no connexion nor sympathy, whatever, with any of the recent meetings or demonstrations, not one of which we have attended.

We are all actuated by apprehension that we may lose our employment by the operation of the foreign sugar bounties, if the present conditions of the trade continue, and many of us are too old to find other suitable work. Every morning we are warned of this by the melancholy spectacle of a crowd of decent men at our gates, skilled in the various branches of our trade, who are unable to earn a crust.

I feel moved to humbly address you to-day, before our Committee has time to wait upon you, because I see in these disturbances at Trafalgar Square and Hyde Park an opportunity for the present Government to increase its deserved popularity with the working classes and the new voters, by practically rescuing from destruction a failing trade which maintains many thousands in the industry they have been trained to. Moreover, if you can accomplish what we desire, many thousands more would be immediately employed by the resumption of work in many extensive sugar refineries now standing in enforced idleness.

[193]

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Whilst your political opponents are exclusively engaged in contriving new-fangled Constitutions and Irish "Magna Charta's," it might be in your power to confer on the nation beneficent practical business results, leading to an important reduction in the number of the unemployed, which is at this moment in danger of being lamentably increased.

I therefore entreat you to consider well the prayer that will be made to you, to let the approaching Anti-Sugar Bounty Conference understand that the British Government is determined to deal courageously with these bounties, and to defeat them by countervailing duties against any or every foreign Power that persists in continuing these bounties.

The opportunity of the Conference might (I humbly submit) be availed of to point out that these bounties having by this time built up, in each foreign country, sugar refining industries prosperous enough to continue on their own merits without State support, this determination of the British Government to defeat foreign bounties by countervailing duties, furnishes an excellent reason for terminating an unsound system, which has become no longer necessary.

The countervailing duty we pray for is no new idea.

At the Convention of 1864 (Article XIX), it was agreed upon by Holland, Belgium, France, and England. Though never acted upon, no allegation was made that the imposition of a countervailing duty by England would be a breach of free trade. If France had remained firm to that decision, the matter would have been so settled, but new competitors came into the field (Austria and others), and France withdrew from her Agreement, lest she should be unable to compete with those outside of the Convention.

There is one industry that it is said would be injured if countervailing duties were imposed, viz., the jam industry. The foreign bounties are a free gift to them of about a farthing per lb. at a cruel cost to the refiners, who have to work for a minute profit, whilst the profit on the jam trade is large. The bounties never called the jam trade into existence, nor is its life dependent upon them.

In the countries that give a bounty to the exporter of sugar the jam trade does not exist.

The jam trade had its origin in the amazing increase in the world's production of sugar, since the English market was thrown open to the world about 1844 or 1845, and in the consequent lowering of prices. It can survive the loss of a bonus that it really has no right to enjoy, and which is destroying an important trade most economically worked for a very close profit.

The price of fruit fluctuates more than the price of sugar, yet the jam industry has an advantage in this country, which it would not possess in any other.

It is only in Great Britain that sugar can be found which is free from duty. Hence, the jam trade has peculiar advantages here, and ought not to expect the premium of the foreign bounties which are ruining the refiners.

Begging you to kindly excuse this letter, which pleads for the daily bread of a number of your countrymen, and hoping you will be so good as favourably to consider it, I remain, &c.

(Signed) GEORGE SHUTE.

No. 156.

Mr. Egerton to the Marquis of Salisbury.—(Received October 27.)

My Lord,

Paris, October 25, 1887.

WITH reference to my despatch of yesterday, I have the honour to inclose herewith copy of a note which I have received from M. Flourens, in which his Excellency informs me that the other States invited by Her Majesty's Government to the proposed Conference in London on a question relating to sugar having agreed to be represented (with the exception of Portugal and Norway, who have no interest in the question, and of the United States of America, who have deferred its acceptance till the meeting of the Congress), the Government of the Republic will also accept the invitation subject to the reserve of retention of full liberty of action.

I have, &c.

(Signed) EDWIN H. EGERTON.

Inclosure in No. 156.

M. Flourens to Mr. Egerton.

Monsieur,

Paris, le 25 Octobre, 1887.

PAR des lettres en date des 25 et 26 Septembre dernier et du 8 de ce mois, vous avez bien voulu me faire savoir qu'à l'exception du Portugal et de la Norvège, désintéressés dans la question, et des États-Unis, dont la décision est ajournée jusqu'au moment de la réunion du Congrès Américain, les autres États convoqués par le Gouvernement Britannique à la Conférence sur le régime des sucres qui doit avoir lieu à Londres, ont notifié leur intention de se faire représenter à cette réunion.

En réponse à ces communications et en me référant à ma dépêche du 16 Septembre, j'ai l'honneur de vous annoncer, Monsieur, que le Gouvernement de la République adhère au projet de réunion dont le Cabinet de Londres a pris l'initiative, sous la réserve qu'il conservera complètement sa liberté d'action.

Je vous serai obligé de vouloir bien porter cette décision à la connaissance de votre Gouvernement.

Agréez, &c.

(Signé) FLOURENS.

(Translation.)

Sir,

Paris, October 25, 1887.

YOUR letters of the 25th and 26th September and 8th October informed me that, with the exceptions of Portugal and Norway, who have no interest in the matter, and the United States, whose decision is adjourned until the meeting of the American Congress, all the States invited by the British Government to take part in the Conference on the Sugar question which is to meet in London have signified their intention of being represented.

In reply to these communications, and in reference to my despatch of the 16th September, I have the honour to state that the Government of the Republic accedes to the proposal initiated by the London Cabinet, under the reserve, however, of preserving complete liberty of action.

I should be glad if you would bring this decision to the knowledge of your Government.

I avail, &c.

(Signed) FLOURENS.

No. 157.

Circular addressed to Her Majesty's Representatives (11).

My Lord,

Sir,

Foreign Office, October 28, 1887.

WITH reference to my Circular despatch of the 2nd July last, I have now to inform you that the Governments of Austria, Belgium, Brazil, Denmark, France, Germany, Italy, the Netherlands, Russia, Spain, and Sweden, have accepted the invitation of Her Majesty's Government to be represented at an International Conference on the Sugar question to be held in London. The Governments of Norway and Portugal have declined the invitation on the ground that they are not concerned in this question. The United States are unable to take any action in regard to it without the concurrence of Congress, but see no objection to the meeting of the Conference previously to the decision of Congress. The Roumanian Government will now be invited to be represented.

In view of the general acceptance, as above stated, of the invitation given by Her Majesty's Government, I am of opinion that the 24th of next month may now be definitely proposed as the date for the meeting of the Conference; and that the several Governments may now be asked to appoint, formally, their Delegates to take part in its deliberations.

In order to facilitate the progress of business, it would be advisable that an authorized and correct statement respecting the system of levying duties, whether of Customs or of excise, on sugar or on the raw material from which it is made, and of the drawbacks on export allowed, in the several countries represented, should be placed before the Conference when it meets. I have accordingly to request that, in asking the Government to which you are accredited to agree to the date above mentioned, namely,

the 24th of next month, and to be so good as to signify this concurrence at their earliest convenience, you will further suggest that a statement of duties and drawbacks, as above indicated, should be prepared and communicated beforehand, in order that a proof may be submitted for correction to the Delegates of the Government upon their arrival in London, and the document itself be distributed at the first sitting of the Conference.

I am, &c.
(Signed) SALISBURY.

No. 158.

The Marquis of Salisbury to Mr. Macdonell.

(Telegraphic.)

Foreign Office, October 28, 2.30 P.M.

SUGAR Conference meets on 24th November. Ask Brazilian Government [to] appoint [their] Delegate.

Statement required as to taxation of sugar and drawbacks in Brazil.

No. 159.

The Marquis of Salisbury to Sir L. West.

Sir,

Foreign Office, October 28, 1887.

I TRANSMIT herewith, for your information, a copy of a further Circular despatch respecting the proposed International Conference on the Sugar question, from which you will learn that the invitation given by Her Majesty's Government has been generally accepted, and that the 24th of next month has been fixed as the date for the meeting of the Conference.*

I have to request that you will make known to the United States' Government the substance of the inclosed Circulars, and that you will state that Her Majesty's Government will be very glad if it should be possible for Delegates on behalf of the United States to join the Conference during its sitting.

I am, &c.
(Signed) SALISBURY.

No. 160.

The Marquis of Salisbury to Sir F. Lascelles.

Sir,

Foreign Office, October 28, 1887.

I TRANSMIT to you herewith a copy of a Circular despatch to Her Majesty's Representatives in the countries principally interested in the Sugar question, proposing that an International Conference should be held on the subject in London,* together with a copy of a further Circular despatch,† from which you will learn that the invitation thus given has been generally accepted, and that the 24th of next month has been fixed as the date for the meeting of the Conference.

I have to request that you will now address an invitation to the Roumanian Government, asking them also to be represented at this Conference.

I am, &c.
(Signed) SALISBURY.

No. 161.

Foreign Office to Board of Trade.‡

Sir,

Foreign Office, October 28, 1887.

WITH reference to previous correspondence, I am directed by the Secretary of State for Foreign Affairs to transmit to you, to be laid before the Board of Trade, the accompanying copy of a Circular, as marked in the margin,* proposing that the Sugar Conference shall meet on the 24th November next.

I am, &c.
(Signed) JAMES FERGUSSON.

* No. 157.

† No. 76.

‡ Also to Colonial Office.

No. 162.

Lord Vivian to the Marquis of Salisbury.—Received October 31.)

My Lord,

Brussels, October 29, 1887.

I HAVE the honour to state that I have to-day addressed a note to the Minister for Foreign Affairs in the terms of your Lordship's Circular of yesterday's date, proposing the 24th proximo as the date for the meeting in London of the International Conference on the Sugar question, and requesting his Excellency to cause an accurate statement of duties and drawbacks in Belgium to be prepared and communicated beforehand to Her Majesty's Government, in order that a proof may be submitted for correction to the Belgian Delegates upon their arrival in London, and the document itself distributed at the first meeting of the Conference.

I believe that M. Guillaume, Director-General of Customs and Excise, a specialist thoroughly acquainted with the Sugar question, is to be appointed as the Belgian Delegate to the Conference.

I have, &c.
(Signed) VIVIAN.

No. 163.

Sir E. Monson to the Marquis of Salisbury.—(Received November 2.)

My Lord,

Copenhagen, October 31, 1887.

I HAVE this day addressed to Baron de Rosenörn-Lehn a note founded upon your Lordship's despatch, marked Circular, Commercial, of the 28th instant, in which I have communicated to his Excellency the proposal of Her Majesty's Government that the International Conference on the Sugar question should meet in London on the 24th November next; and have suggested, on their behalf, that a statement of duties and drawbacks on sugar levied and allowed in Denmark should be prepared and communicated beforehand.

I have, &c.
(Signed) EDMUND MONSON.

No. 164.

Mr. Corbett to the Marquis of Salisbury.—(Received November 3.)

My Lord,

Stockholm, October 31, 1887.

I HAVE the honour to report that I have carried out the instructions contained in your Lordship's Circular despatch of the 28th instant, relative to the Sugar Conference.

I have, &c.
(Signed) EDWIN CORBETT.

No. 165.

Lord Vivian to the Marquis of Salisbury.—(Received November 3.)

My Lord,

Brussels, November 2, 1887.

WITH reference to your Lordship's Circular despatch of the 28th ultimo, I have the honour to inclose copy of a note from the Minister for Foreign Affairs, agreeing to the proposal of Her Majesty's Government to fix the 24th November as the date of the meeting of the International Conference at London on the Sugar question, and notifying the names of the three Delegates who will represent Belgium at the Conference.

I am further informed that the statement of duties and drawbacks on sugar in Belgium, which your Lordship requires for the use of the Conference, will be sent to me shortly.

I have, &c.
(Signed) VIVIAN.

Inclosure in No. 165.

The Prince de Chimay to Lord Vivian.

Milord,

Bruxelles, le 1^{er} Novembre, 1887.

EN réponse à la lettre de votre Excellence en date du 29 Septembre dernier, relative à la question des sucres, j'ai l'honneur de l'informer que le Gouvernement du Roi accepte la date du 24 Novembre prochain pour la réunion de la Conférence Internationale.

Les Délégués du Gouvernement Belge seront les fonctionnaires suivants du Ministère des Finances (Administrations des Contributions, Douanes, et Accises) :—

M. J. Guillaume, Directeur-Général.

M. E. Du Jardin, Inspecteur-Général.

M. D. Desmet, Sous-Directeur.

J'aurai l'honneur d'adresser très prochainement à votre Excellence les renseignements demandés par son Gouvernement concernant le régime des sucres en Belgique.

Veuillez, &c.

(Pour le Ministre),

(Signé) Baron LAMBERMONT.

(Translation.)

My Lord,

Brussels, November 1, 1887.

IN reply to your Excellency's letter of the 29th September last respecting the Sugar question, I have the honour to state that the King's Government agrees to the 24th November as the date for the opening of the Conference.

The Delegates of the Belgian Government will be the following officials of the Ministry of Finance (Administration of Taxes, Customs, and Excise) :—

M. J. Guillaume, Director-General.

M. E. Du Jardin, Inspector-General.

M. D. Desmet, Sub-Director.

I shall soon have the honour to transmit to your Excellency the information asked for by your Government with regard to the sugar legislation of Belgium.

I have, &c.

(For the Minister),

(Signed) Baron LAMBERMONT.

No. 166.

Sir Clare Ford to the Marquis of Salisbury.—(Received November 4.)

My Lord,

Madrid, October 31, 1887.

I HAVE the honour to acknowledge the receipt this day of your Lordship's Circular despatch of the 28th instant, and to inform your Lordship that I have addressed a letter to Señor Moret, the Spanish Minister of State, in accordance with the instructions contained in your Lordship's despatch, fixing the 24th of next month as the date on which the International Conference on the Sugar question is to be held in London.

The moment I am in possession of Señor Moret's reply I shall hasten to forward a copy of it to your Lordship.

I have, &c.

(Signed) FRANCIS CLARE FORD.

No. 167.

Colonial Office to Foreign Office.—(Received November 4.)

Sir,

Downing Street, November 3, 1887.

I AM directed by Secretary Sir Henry Holland to acknowledge the receipt of your letter of the 28th ultimo, conveying the information that the French Government had accepted the invitation of Her Majesty's Government to join in a Conference on the sugar industries, and that the Conference had been summoned for the 24th instant.

I am, &c.

(Signed) EDWARD WINGFIELD.

The Marquis of Salisbury to Count Bylandt.

THE Marquis of Salisbury presents his compliments to Count Bylandt, and begs to inform him, in reply to his inquiry on the subject, that the Governments of Austria, Belgium, Brazil, Denmark, France, Germany, Italy, the Netherlands, Russia, Spain, and Sweden have accepted the invitation of Her Majesty's Government to be represented at an International Conference on the Sugar question to be held in London.

The 24th instant has now been fixed as the date for the Conference to meet. No change has been made in the programme of the proceedings as set forth in the despatch on the subject which was addressed last July to Her Majesty's Representatives abroad.

Foreign Office, November 4, 1887.

Mr. Phipps to the Marquis of Salisbury.—(Received November 5.)

My Lord,

Vienna, November 2, 1887.

IN the present state of the Sugar question, and in view of the approaching meeting of a Conference, it will no doubt be interesting to your Lordship to be acquainted with the substance of the Law recently presented to the Austrian Chamber by the Government, according to which the system of taxing sugar is altered and the bonus on exportation slightly increased.

In the place of a tax on the raw material, the amount of sugar produced would now be subject to tax at the following rate:—

Beet-root and similar sugar, excluding syrup unfit for human use, 11 fl. (18s. 4d.) per 100 kilog. Sugar of other descriptions, if solid, 3 fl. (5s.); if liquid, 1 fl. (1s. 8d.) per 100 kilog.

An export bonus will from the 1st August, 1888, be granted at the following rates:—

(a.) For every 100 kilog. net of exported sugar of from 93 to 88 per cent. polarization, 1 fl. 50 kr. (2s. 6d.).

(b.) If from 99·5 to 93 per cent. polarization, 1 fl. 60 kr. (2s. 8d.) per 100 kilog.

(c.) For every 100 kilog. of at least 99·5 per cent. polarization, 2 fl. 30 kr. (3s. 10d.).

It is further provided that if the export bonus during the producing season, *i.e.*, from the 1st August to the 31st July of the following year, on sugar exported, should exceed 5,000,000 fl. (417,000l.), such excess amount has to be refunded to the Government *pro rata* by the sugar producers.

It is unnecessary to trouble your Lordship with such further details of this Project of Law as may be of mere local interest, such as the mode of controlling the sugar produce, and of imposing taxation on the stores of sugar at the moment when the Law will come into operation, *viz.*, from the 15th July to the 1st August, 1888, but the anticipated financial result to the state of this system of taxation is of some interest.

The Austrian Treasury will, it is expected, receive about 14,000,000 fl. (about 1,166,000l.) during the first year from sugar, calculating on the following basis.

The approximate yearly consumption of beet sugar in the Monarchy is estimated at 2,000,000 meter centner, yielding at 11 fl. a gross sum of 22,000,000 fl. After deduction of the amount of export bonuses there remains a sum of 17,000,000 fl., of which, assuming that the proportionate produce of Hungary does not alter, 15,500,000 fl. will go to Austria, from which the increased expenses of control set at 1,500,000 fl. must be deducted.

It is to be noticed that in the preamble to the Project of Law reference is made to the approaching Conference under the auspices of Her Majesty's Government in the following terms:—

“The considerations which led to the selection of a tax on the amount of sugar actually consumed have not become less weighty since the first Government proposal was brought forward.

“In the event of the Conference promoted by Great Britain on the subject of export premiums leading to the desirable removal of these premiums, it will be now possible to adopt a mode of taxing sugar under which the export premiums will disappear without making any other change.”

The criticisms which have appeared on this subject in the independent press are not favourable to this Project of Law, which will probably be accepted with little if any alteration. It is regarded as a victory of the powerful sugar interests, and as a concession made by the Government to the great proprietors and to the agricultural interests, whose influence no Government can resist. A subsidy of 5,000,000 fl. annually is, it is maintained, thereby granted to the 200 sugar manufacturers of Austria at the expense of the rest of the community. The influence exercised by the sugar manufacturers is illustrated, it is urged, by the fact that the export bonus on refined sugar is now set at 2 fl. 30 kr., or 75 kr. higher even than in the original Government proposal.

The Finance Minister, however, in the Committee declared that it was as a matter of principle correct that bonuses or premiums should not be granted, but that it was, on the other hand, an undoubted fact, that so long as other States accorded bonuses the beet-root sugar industry could not subsist without similar support. If the fact of bonuses being accorded and the regulation of the tax on sugar exercised an influence on the price of sugar, it must not, on the other hand, be forgotten that owing to the very fact of the sugar export which had developed itself in Austria and Hungary, and especially owing to the influence of the prices in the world's markets, the home prices of sugar were lower than in former years. The small increase of price which would result from the new Law, he added, could not press heavily on the consumers, especially on those who purchase in small quantities.

These words of the Finance Minister have been interpreted as indicating a partiality for the maintenance of the bounty system, and figures which have been recently published are argued to corroborate his assertion as to the influence exercised by the prices in the world's markets on the domestic price. In 1827 the consumption price in the Vienna market per meter centner of sugar was on an average 25 fl. 24 kr.; in 1837, 81 fl. 20 kr.; in 1847, 70 fl. 16 kr.; in 1857, 74 fl. 12 kr.; in 1867, 58 fl. 10 kr.; in 1877, 55 fl. 38 kr.; in 1878, 44 fl. 39 kr.; up to 1883, from 42 fl. to 45 fl.; in 1885, 35 fl. 7 kr.; in 1886, 32 fl. 92 kr., and during the first ten months of the present year on an average 31 fl.

I have, &c.
(Signed) E. C. H. PHIPPS.

No. 170.

Mr. Phipps to the Marquis of Salisbury.—(Received November 5.)

My Lord,

Vienna, November 3, 1887.

ON receipt of your Lordship's Circular despatch of the 28th ultimo, Her Majesty's Ambassador addressed a note to the Austro-Hungarian Government, conveying the formal invitation of Her Majesty's Government to participate in the International Conference on the Sugar question in London on the 24th instant.

In my despatch of yesterday's date I have endeavoured to lay before your Lordship an accurate statement of the present state of the question here, as well as of the taxes and bounties, but the official statement of these latter from the Austro-Hungarian Government has, in accordance with your Lordship's instructions, also been applied for.

The Under-Secretary of State told me this afternoon that the formal acceptance on the part of this Government would be communicated in a few days, but that owing to the labours of the Delegations, the time at their disposal to consult the Representatives of the two Governments was somewhat restricted. He had, however, convoked a meeting of the officials interested in the question for the beginning of next week, and hoped that the instructions for the Delegates to be named would be prepared in due time for the date indicated.

I have, &c.
(Signed) E. C. H. PHIPPS.

No. 171.

Baron Solvyns to the Marquis of Salisbury.—(Received November 5.)

M. le Marquis,

Légation de Belgique, Londres, le 3 Novembre, 1887.

J'AI l'honneur de faire savoir à votre Seigneurie que le Gouvernement de Roi se fera représenter à la Conférence Sucrière par MM. J. Guillaume, E. Du Jardin, et

D. Desmet, respectivement Directeur-Général, Inspecteur-Général et Sous-Directeur, à l'Administration des Contributions, Douanes, et Accises du Ministère des Finances.

Je saisis, &c.
(Signé) SOLVYNS.

(Translation.)

M. le Marquis,

Belgian Legation, London, November 3, 1887.

I HAVE the honour to inform your Excellency that the King's Government will be represented at the Sugar Conference by MM. J. Guillaume, E. Du Jardin, and D. Desmet, who are respectively Director-General, Inspector-General, and Sub-Director of the Administration of Taxes, Customs, and Excise in the Ministry of Finance.

I avail, &c.
(Signed) SOLVYNS.

No. 172.

The Workmen's National Association for the Abolition of Foreign Sugar Bounties to Foreign Office.—(Received November 5.)

*The "Trafalgar" Hotel, Leaman Street, Whitechapel,
November 4, 1887.*

Right Honourable Sir,

WE are desired by the Executive of the above Association to state that a letter has been received from the Chancellor of the Exchequer, in which he says "that the date of the Conference on the Sugar Bounties has been fixed," and that "Her Majesty's Government are anxious, through the action of the Conference, to promote the ends which the sugar industry in this country desires."

Such being the case, we are naturally very anxious to know what provision has been made for having the working classes directly engaged in the sugar industry represented at the said Conference. You will doubtless be aware of the great anxiety existing in the minds of the working people connected with the sugar trade throughout the country as to the result of the Conference, and how earnestly they desire a successful termination to the same.

Kindly inform us at your convenience, so that the proper arrangements can be made.

We are, &c.
(Signed) JOHN McLEAN, *President.*
SAMUEL PETERS, } *Secretaries.*
THOMAS M. KELLY, }
FREDERICK WIGINGTON, *Treasurer.*

No. 173.

Sir Clare Ford to the Marquis of Salisbury.—(Received November 5.)

(Telegraphic.)

Madrid, November 5, 1887.

SUGAR Conference.

Spanish Government agree to date proposed in your Circular of 28th ultimo. They will also furnish in good time required statement as to duties and drawbacks in Spain.

No. 174.

Sir E. Malet to the Marquis of Salisbury.—(Received November 7.)

My Lord,

Berlin, November 3, 1887.

I HAVE the honour to acknowledge the receipt of your Circular despatch of the 28th ultimo, on the subject of the approaching International Conference on the Sugar question to be held in London, and to state that I have addressed a note to Count Bismarck in the terms of the above-mentioned despatch.

I have, &c.
(Signed) EDWARD B. MALET.

No. 175.

*The Marquis of Salisbury to Mr. Phipps.**

(Telegraphic.)

Foreign Office, November 7, 1887, 6 P.M.

SUGAR Conference.

Press Government to which you are accredited for reply to my Circular despatch of 28th ultimo.

No. 176.

Sir W. Stuart to the Marquis of Salisbury.—(Received November 8.)

(Telegraphic.)

The Hague, November 8, 1887.

YOUR Circular of 28th ultimo and telegram of 7th instant.

Netherlands Government accept proposed date.

No. 177.

Sir E. Malet to the Marquis of Salisbury.†—(Received November 8, 12.45 P.M.)

(Telegraphic.)

Berlin, November 8, 1887, 11 A.M.

YOUR Circular of 28th ultimo and telegram of 7th instant.

German Government agree to date proposed for meeting of Conference on Sugar question.

No. 178.

Foreign Office to Workmen's Association for the Abolition of Sugar Bounties.

Sir,

Foreign Office, November 8, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 4th instant respecting the International Conference on the Sugar trade, which is expected to meet in London on the 24th instant. In reply, I am to inform you that the approaching Conferences will, as on former occasions, be a Diplomatic Conference of the Representatives of the various Powers concerned in the Sugar question. Any representations from your Association will receive full consideration, and, if necessary, the British Representatives will, at the proper time, confer with the several Associations which represent the British sugar trade.

I am, &c.

(Signed) JAMES FERGUSON.

No. 179.

The Marquis of Salisbury to Baron Solvyns.

M. le Ministre,

Foreign Office, November 8, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 3rd instant, informing me that the Delegates of the Belgian Government at the Conference on the Sugar industry which is to meet on the 24th instant will be M. Guillaume, M. du Jardin, and M. Desmet.

I have, &c.

(Signed) SALISBURY.

* Also to Mr. Egerton, Sir E. Malet, Sir W. Stuart, Sir J. Savile, Sir R. Morier, Mr. Corbett, Sir E. Monson, Sir F. Lascelles, and Mr. Macdonell.

† Similar reply from Copenhagen and Stockholm.

No. 180.

Sir Clare Ford to the Marquis of Salisbury.—(Received November 9.)

My Lord,

Madrid, November 5, 1887.

WITH reference to my despatch of the 31st ultimo, I have the honour to transmit herewith to your Lordship translation of a note, dated the 3rd instant, which has been addressed to me by Señor Moret, the Spanish Minister of State, informing me that the Spanish Government agree to the date which has been fixed, namely, the 24th instant, for the meeting in London of the International Conference on the Sugar question.

Señor Moret also informs me that the necessary orders have been given to collect the documents which are required, and which will be sent with the least possible delay.

I have, &c.

(Signed) FRANCIS CLARE FORD.

Inclosure in No. 180.

Señor Moret to Sir Clare Ford.

(Translation.)

M. le Ministre,

Ministry of State, the Palace, November 3, 1887.

I HAD the honour to receive the note which your Excellency sent to me on the 31st ultimo, and in which you request me, in accordance with the instructions of the Marquis of Salisbury, to inform you whether the Spanish Government accepts the 24th instant as the day on which the Conference on the Sugar question shall meet, and to provide you with certain documents which should be presented at the Conference on the day of its opening.

In reply, I have to inform you that the Government of the Queen is very pleased to accept the day indicated, and I have given the necessary orders for the collection of the documents which your Excellency requires, and they shall be sent to you as soon as possible.

I avail, &c.

(Signed) S. MORET.

No. 181.

Mr. Corbett to the Marquis of Salisbury.—(Received November 9.)

My Lord,

Stockholm, November 6, 1887.

REFERRING to my despatch to your Lordship of the 31st ultimo, I have the honour to inclose copy of a letter I have received from Count Ehrensvärd, in which his Excellency informs me that there is no objection on the part of the King's Government to the date proposed for the meeting of the Sugar Conference, namely, the 24th day of this month.

I also inclose copy of a Memorandum prepared in the Ministry of Finance on the system of taxation of sugar in Sweden which accompanied his Excellency's communication.

I have, &c.

(Signed) EDWIN CORBETT.

Inclosure 1 in No. 181.

Count Ehrensvärd to Mr. Corbett.

M. le Ministre,

Stockholm, le 5 Novembre, 1887.

ME référant à votre lettre du 31 Octobre dernier, je m'empresse de vous informer que de la part du Gouvernement du Roi il n'y a pas d'objection à ce que l'ouverture de la Conférence Internationale sur la question des sucres ait lieu, comme il a été proposé par votre Gouvernement, le 24 de ce mois.

En joignant à ce pli un Mémoire en langue Anglaise dressé au Ministère des Finances au sujet des droits sur les sucres en Suède, je profite, &c.

(Signé)

EHRENSVÄRD.

(Translation.)

M. le Ministre,

Stockholm, November 5, 1887.

WITH reference to your letter of 31st October last, I hasten to inform you that the King's Government has no objection to the opening of the International Conference on the Sugar question being fixed for the 24th instant.

I inclose a Memorandum in English, which has been prepared at the Ministry of Finance, on the Swedish duties on sugar.

I avail, &c.

(Signed) EHRENSVÄRD.

Inclosure 2 in No. 181.

Report on the System of Taxation of Sugar in Sweden.

[See "Commercial No. 3 (1888)," pp. 28 and 96.]

No. 182.

Mr. Egerton to the Marquis of Salisbury.—(Received November 9.)

My Lord,

Paris, November 8, 1887.

I PRESSED M. Flourens to-day for an answer to the note which, on the 29th ultimo, I addressed to him in accordance with the instructions of your Lordship's Circular of the 28th ultimo, asking him to agree to the 24th of this month as to the date of the assembling of the International Conference on the Sugar question, to be held in London. His Excellency promised to give me a speedy answer.

Mr. Crowe informs me, having to-day seen the Head of the Commercial Department on the subject, that it may not be till the 15th that the full French answer can be given.

I have, &c.

(Signed) EDWIN H. EGERTON.

No. 183.

Sir W. Stuart to the Marquis of Salisbury.—(Received November 9.)

My Lord,

The Hague, November 8, 1887.

I ADDRESSED a note to M. de Karnebeek on the 29th ultimo, in the terms of your Lordship's Circular despatch of the preceding day, relative to the meeting of the International Conference on the Sugar question, which it is proposed to hold in London on the 24th instant.

Having received yesterday evening your Lordship's telegram instructing me to press the Netherlands Government for an answer to that Circular, I called upon M. de Karnebeek this morning, and learnt from him that his answer would be sent to me as soon as possible, and that I might, in the meantime, inform your Lordship that the Netherlands Government would accept the invitation of Her Majesty's Government for the date indicated, and would name their Delegates accordingly, and prepare the statement of duties and drawbacks as desired.

I have, &c.

(Signed) W. STUART.

No. 184.

Mr. Phipps to the Marquis of Salisbury.—(Received November 8.)

(Telegraphic.)

Vienna, November 8, 1887.

FORMAL acceptance of invitation expected shortly.

No. 185.

Mr. Macdonell to the Marquis of Salisbury.—(Received November 9.)

My Lord,

Rio de Janeiro, October 11, 1887.

WITH reference to my telegram of the 5th instant, I have the honour to inform your Lordship that I have received a note from Baron de Cotegipe, in which his Excellency states that the Imperial Government, accepting the invitation extended to them by Her Majesty's Government, have decided to appoint Dr. Pedro Dias Gordilho Paes Leme to represent Brazil at the International Conference to be held in London for the purpose of considering the position of the sugar industries.

I have, &c.

(Signed) H. G. MACDONELL.

No. 186.

Mr. Macdonell to the Marquis of Salisbury.—(Received November 9.)

(Telegraphic.)

Rio de Janeiro, November 9, 1887.

MEMBER of Brazilian Legation to represent Brazil pending arrival of Delegate, who will proceed shortly.

No. 187.

The Marquis of Salisbury to Baron H. de Worms, M.P., Mr. C. M. Kennedy, C.B., and Mr. F. G. Walpole.

Gentlemen,

Foreign Office, November 9, 1887.

I HAVE to inform you that Her Majesty's Government have decided to appoint you to be the British Delegates at the International Conference on the Sugar question which is about to meet in London.

The accompanying correspondence will make you acquainted with the course of the negotiations which have resulted in the Agreement of the Powers concerned, that this Conference shall now be held. I shall furnish you in a subsequent despatch with instructions for your guidance.

I am, &c.

(Signed) SALISBURY.

No. 188.

Sir E. Malet to the Marquis of Salisbury.—(Received November 10.)

My Lord,

Berlin, November 8, 1887.

WITH reference to your Lordship's Circular despatch of the 28th October, proposing the 24th November as the date for the meeting of the International Sugar Conference to be held in London, I have the honour to forward herewith a translation of a note which I have received from Count Bismarck, stating that the German Government have no objection to the date proposed in your Lordship's above-mentioned Circular, and transmitting a summary of the principal provisions of the German system of sugar duties and the official text of the laws of 1886 and 1887.

I have the honour to inclose herewith a translation of the aforesaid summary, with the text of the two Imperial Laws.

I have, &c.

(Signed) EDWARD B. MALET.

Inclosure 1 in No. 188.

Count Bismarck to Sir E. Malet.

(Translation.)

Berlin, November 7, 1887.

THE Undersigned has the honour to inform his Excellency Sir Edward Malet with reference to the note of the 31st ultimo respecting the proposed International Sugar Conference, that the Government of His Majesty have no objection to the proposal therein contained, that the above-mentioned Conference should meet in London on the 24th of this month.

In accordance with the wish therein expressed, a summary of the fundamental provisions of the system of sugar taxation in Germany, as well as a copy of the Imperial Law Gazette No. 16 of 1886 and No. 26 of 1887, containing the German Sugar Duty Laws of the 1st June, 1886, and 9th July, 1887, are herein inclosed.

Whilst reserving the naming of the German Delegates to be sent to London to a further communication, the Undersigned avails himself, &c.

(Signed) H. BISMARCK.

Inclosure 2 in No. 188.

Sugar Duties in Germany.

[See "Commercial No. 3 (1888)," pp. 2 and 70.]

No. 189.

Sir E. Monson to the Marquis of Salisbury.—(Received November 10.)

My Lord,

Copenhagen, November 8, 1887.

M. VEDEL informed me this afternoon that the Danish Government accept the invitation contained in your Lordship's Circular of the 28th ultimo, to send a Delegate to be present at the opening of the International Conference on the Sugar question on the 24th instant. The Director-General of the Department of Rates and Taxes, M. Lange, has been selected to proceed to London on this mission.

The Finance Department has sent to the Minister of Foreign Affairs the statement on duties and drawbacks requested by your Lordship. As soon as this document has been translated into French, it will be transmitted to London.

I have, &c.

(Signed) EDMUND MONSON.

No. 190.

Mr. Macdonell to the Marquis of Salisbury.—(Received November 10.)

(Telegraphic.)

Rio de Janeiro, November 9, 1887.

BRAZILIAN Financial Commissioner to represent Brazil *ad interim*.

No. 191.

*Foreign Office to Colonial Office.**

Sir,

Foreign Office, November 10, 1887.

I AM directed by the Marquis of Salisbury to transmit to you correspondence in print on the subject of the Sugar question, and the Conference which is expected to meet in London on the 24th instant, and I am to request that you will move Secretary Sir H. Holland to favour Lord Salisbury with such observations as he may have to offer on these papers.

I am, &c.

(Signed) JAMES FERGUSON.

* Also to Board of Trade.

No. 192.

Foreign Office to Treasury.

Sir,

Foreign Office, November 10, 1887.

I AM directed by the Marquis of Salisbury to request that you will inform the Lords of the Treasury that his Lordship is desirous that Mr. F. G. Walpole (who has been one of the British Representatives on previous occasions) should be one of the British Delegates at the International Conference on the Sugar question, which is to meet in London on the 24th instant.

I am accordingly to request that you will move their Lordships to give, by telegraph, Mr. Walpole permission to repair to London at once, in order to prepare for this business, and to grant him leave of absence from his duties under the Customs for such period as his attendance on this service may be necessary.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 193.

Mr. Phipps to the Marquis of Salisbury.—(Received November 11.)

My Lord,

Vienna, November 8, 1887.

I HAVE the honour to acknowledge the receipt of your Lordship's telegram of last evening, instructing me to press the Austro-Hungarian Government for a reply to the invitation addressed by Her Majesty's Government to take part in the Sugar Conference.

M. de Szögenyi, with whom I was able to speak on the subject this afternoon, informed me that the proposed meeting of the Representatives of Austria and of Hungary in reference to the Conference would take place on the 9th instant, and that if I would call that day at the Foreign Office he would inform me of the result.

His Excellency did not anticipate any difficulty arising as to the participation on the 24th of the Delegates from this Monarchy, adding that the delay which had occurred was inseparable from the dualistic Constitution which necessitated a consultation between the two Governments.

I communicated the above information to your Lordship by telegraph.

I have, &c.
(Signed) E. C. H. PHIPPS.

No. 194.

Sir W. Stuart to the Marquis of Salisbury.—(Received November 11.)

My Lord,

The Hague, November 10, 1887.

WITH reference to your Lordship's Circular despatch of the 28th ultimo, and to my despatch of the 8th instant, I have the honour to inclose herewith a copy of a note which I have received this afternoon from M. de Karnebeek, stating that the Netherlands Government have no objection to the 24th of this month being fixed for the opening of the International Conference upon the Sugar question, and that he will shortly be able to supply me with a statement respecting the import duties and drawbacks upon sugar in the Netherlands.

His Excellency adds that he will inform me in due course of the names of the Delegates who will be appointed by the Netherlands Government to attend the Conference.

I have, &c.
(Signed) W. STUART.

Inclosure in No. 194.

M. de Karnebeek to Sir W. Stuart.

M. le Ministre,

La Haye, le 10 Novembre, 1887.

EN réponse à votre office du 29 Octobre dernier j'ai l'honneur de porter à votre connaissance que le Gouvernement du Roi n'a pas d'objection à ce que la date de l'ouverture de la Conférence Internationale sur la question des sucres soit fixée au 24 Novembre prochain.

Conformément à la proposition contenue à la fin de l'office précité, je ne manquerai pas de vous faire parvenir sous peu un aperçu des impôts sur les sucres existant dans les Pays-Bas ainsi que les drawbacks accordés à l'exportation de cet article.

En me réservant de vous faire connaître les noms des Députés Néerlandais à la Conférence, je saisis, &c.

(Signé) KARNEBEEK.

(Translation.)

M. le Ministre,

The Hague, November 10, 1887.

IN answer to your letter of the 29th October last, I have the honour to inform you that the King's Government has no objection to the date for the opening of the International Sugar Conference being fixed for the 24th November next.

In accordance with the request made at the end of your above-mentioned letter, I will not fail shortly to communicate to you a statement of the taxes now levied on sugar in the Netherlands, and of the drawbacks allowed on the exportation of sugar.

I will communicate at a later date the names of the Netherlands Delegates to the Conference, and have, &c.

(Signed) KARNEBEEK.

No. 195.

Mr. Phipps to the Marquis of Salisbury.—(Received November 11.)

(Telegraphic.)

Vienna, November 10, 1887.

AUSTRIAN Embassy will take part in Conference. Special Delegate will not attend.

No. 196.

The Marquis of Salisbury to Mr. Phipps.

(Telegraphic.)

Foreign Office, November 11, 1887, 3.15 P.M.

VERY important for authority of Conference that Austro-Hungarian Government should not appear to show want of interest. Urge appointment of Special Delegate.

No. 197.

Sir E. Monson to the Marquis of Salisbury.—(Received November 12.)

My Lord,

Copenhagen, November 10, 1887.

WITH reference to my despatch of the day before yesterday, reporting that M. Vedel had informed me of the appointment of M. Lange as Danish Delegate to the International Conference on the Sugar question, I have now the honour to inclose copy of a note and its inclosure, in which the Minister for Foreign Affairs formally accepts the proposal of Her Majesty's Government, that the Conference should meet at London on the 24th instant; and, after adverting to the selection of M. Lange, transmits to me the statement on duties and drawbacks for which your Lordship instructed me to apply, and which forms the second inclosure in this despatch.

I have, &c.

(Signed) EDMUND MONSON.

Inclosure 1 in No. 197.

Baron Rosenörn-Lehn to Sir. E. Monson.

M. le Chevalier,

Copenhagen, le 9 Novembre, 1887.

J'AI eu l'honneur de recevoir votre note du 31 Octobre dernier, m'annonçant que la proposition du Gouvernement de la Grande-Bretagne relative à la réunion d'une Conférence Internationale à Londres pour délibérer sur différentes questions, ayant trait à l'industrie sucrière, vient d'être acceptée par les Puissances intéressées.

Pour donner suite aux désirs exprimés dans votre note, je m'empresse de vous informer que le Gouvernement du Roi n'a pas d'objections à faire contre la date du 24 Novembre proposée pour la réunion de la Conférence et qu'il a désigné M. C. V. Lange, Directeur-Général des Contributions Directes et Indirectes, Commandeur de l'Ordre du Danebrog, et décoré de la Croix d'Honneur du même ordre, pour représenter le Danemark à cette occasion.

Quant aux renseignements que votre Gouvernement désire sur le système en vigueur ici par rapport au mode d'imposition sur les sucres, j'ai l'honneur de vous les faire parvenir par l'exposé ci-joint, et profite, &c.

(En l'absence du Ministre),
(Signé) J. VEDEL.

(Translation.)

M. le Chevalier,

Copenhagen, November 9, 1887.

I HAD the honour to receive your note of the 31st October last, informing me that the proposals of the Government of Great Britain respecting the meeting of an International Conference in London to discuss various questions connected with the sugar trade have been accepted by the Powers interested.

In accordance with the wish expressed in your note, I hasten to inform you that the King's Government has no objection to the 24th November as the date for the meeting of the Conference, and that M. C. V. Lange, Director-General of Direct and Indirect Taxes, Commander of the Order of the Danebrog, and decorated with the Cross of Honour of the same Order, has been appointed to represent Denmark at the Conference in question.

With regard to the information asked for by your Government as to the system in force here for taxing sugar, I have the honour to communicate the same to you in the inclosed statement.

I have, &c.
(In the Minister's absence),
(Signed) J. VEDEL.

Inclosure 2 in No. 197.

Statement on Duties and Drawbacks on Sugar.

[See "Commercial No. 3 (1888)," pp. 12 and 80.]

No. 198.

Sir R. Morier to the Marquis of Salisbury.—(Received November 12.)

(Telegraphic.)

St. Petersburg, November 12, 1887.

RUSSIAN Government appoint M. Kamenski to be their Delegate.

No. 199.

Mr. Phipps to the Marquis of Salisbury.—(Received November 12, 10.30 P.M.)

(Telegraphic.)

Vienna, November 12, 1887, 8.46 P.M.

MINISTER for Foreign Affairs has promised to name a well-informed and technical Delegate. Representations well received.

No. 200.

Sir E. Malet to the Marquis of Salisbury.—(Received November 14.)

My Lord,

Berlin, November 8, 1887.

WITH reference to your Lordship's telegram of the 7th instant, instructing me to press the German Government for a reply to your Lordship's Circular of the 28th ultimo, I have the honour to inform your Lordship that the German Government agree to the 24th instant as the date for the opening of the Sugar Conference.

I have, &c.

(Signed)

EDWARD B. MALET.

No. 201.

Sir F. Lascelles to the Marquis of Salisbury.—(Received November 14.)

My Lord,

Bucharest, November 9, 1887.

WITH reference to your Lordship's despatch of the 28th ultimo, instructing me to invite the Roumanian Government to be represented at the International Conference which will be held in London on the 24th instant on the subject of the Sugar question, I have the honour to inclose a copy of a despatch which I addressed to the Roumanian Minister for Foreign Affairs, together with a copy of his reply, informing me that he has communicated the invitation of Her Majesty's Government to the Minister of Agriculture and Commerce, and that he will not fail to inform me of his decision.

Your Lordship's telegram of the 7th instant reached me late at night on the same day, and on the following day I called on M. Pherekyde, and informed him that your Lordship had instructed me to press for a reply to the invitation.

M. Pherekyde said that it was necessary for him to communicate with the Ministry of Finance before giving me an answer. He would, however, do so at once, and would let me know the result as soon as possible.

I have, &c.

(Signed)

FRANK C. LASCELLES.

Inclosure 1 in No. 201.

Sir F. Lascelles to M. Pherekyde.

M. le Ministre,

Bucarest, ce 21 Octobre (2 Novembre), 1887.

PAR une Circulaire en date du 2 Juillet, 1887, adressée aux Représentants de Sa Majesté Britannique dans les pays principalement intéressés, le Gouvernement de Sa Majesté a proposé la réunion à Londres d'une Conférence Internationale pour arriver à une entente sur la législation des sucres. Par une seconde Circulaire en date du 26 Octobre, 1887, le fait est constaté que cette invitation a été généralement acceptée, et que la date de la réunion de la Conférence a été fixée pour le 12 (24) du mois de Novembre, 1887, et les Puissances intéressées ont été invitées à nommer des Délégués pour prendre part aux délibérations.

En communiquant à votre Excellence les copies des Circulaires susmentionnées, qui indiquent les points sur lesquels l'attention de la Conférence sera attirée, je suis chargé par le Principal Secrétaire d'État de Sa Majesté Britannique pour les Affaires Étrangères d'inviter le Gouvernement Royal de Roumanie de vouloir bien se faire représenter à la Conférence en question.

Dans le cas où le Gouvernement Royal accepterait l'invitation que j'ai l'honneur d'adresser à votre Excellence, je suis chargé d'exprimer l'espoir que la date proposée du 12 (24) Novembre sera acceptée, et que votre Excellence me fera l'honneur de me communiquer l'assentiment du Gouvernement du Roi aussitôt que faire se peut.

Je profite, &c.

(Signé)

FRANK C. LASCELLES.

(Translation.)

M. le Ministre,

Bucharest, October 21 (November 2), 1887.

IN a Circular dated the 2nd July, 1887, addressed to Her Britannic Majesty's Representatives in the countries most interested, Her Majesty's Government made the

proposal to summon an International Conference in London with a view of arriving at an understanding on the Sugar question. A second Circular of the 26th October, 1887, announces that this invitation has been generally accepted, and that the Conference will open on the 12th (24th) November, 1887, and that the Powers interested have been requested to name Delegates to take part in the discussions.

In communicating to your Excellency copies of these Circulars, which indicate the subjects to which the attention of the Conference will be called, I am directed by Her Britannic Majesty's Principal Secretary of State for Foreign Affairs to invite the Government of the King of Roumania to be represented at the Conference in question.

Should the King's Government accept the invitation I have now had the honour to address to your Excellency, I am to express the hope that the date, the 12th (24th) November, will be agreed to, and that your Excellency will do me the honour to inform me of the acceptance of the King's Government as soon as possible.

I avail, &c.

(Signed) FRANK C. LASCELLES.

Inclosure 2 in No. 201.

M. Pherekyde to Sir F. Lascelles.

M. l'Envoyé,

Bucarest, ce 24 Octobre (5 Novembre), 1887.

VOTRE Excellence a bien voulu m'informer, par sa note en date du 21 Octobre (2 Novembre) courant, que le Gouvernement de Sa Majesté Britannique avait proposé aux Gouvernements des pays principalement intéressés, la réunion, à Londres, d'une Conférence dans le but arriver à une entente sur la législation des sucres; que cette invitation avait été généralement acceptée, et que cette Conférence devait se réunir le 12 (24) Novembre prochain. Vous m'avez, en outre, M. l'Envoyé fait, l'honneur de me communiquer que son Excellence Lord Salisbury vous avait chargé d'adresser au Gouvernement Roumain l'invitation de se faire représenter à la Conférence dont il est question.

Je me suis empressé de transmettre cette obligeante communication à mon collègue au Département de l'Agriculture et du Commerce, et je me ferai un devoir de porter à votre connaissance la décision qui aura été prise à cet égard.

Je saisis, &c.

(Signé) PHEREKYDE.

(Translation.)

M. l'Envoyé,

Bucharest, October 24 (November 5), 1887.

BY your note of the 21st October (2nd November) your Excellency was so good as to inform me that Her Britannic Majesty's Government had proposed to the Governments of the countries most interested to summon a Conference to meet in London in order to come to an understanding on the Sugar question; that this invitation had been generally accepted, and that the Conference would meet on the 12th (24th) November. You further did me the honour to inform me that Lord Salisbury had instructed you to invite the Roumanian Government to be represented at the Conference in question.

I did not fail to transmit this communication to my colleague at the Department of Agriculture and Commerce, and I will inform you of the decision taken on it.

I avail, &c.

(Signed) PHEREKYDE.

No. 202.

Mr. Phipps to the Marquis of Salisbury.—(Received November 14.)

My Lord,

Vienna, November 10, 1887.

WITH reference to my despatch of the 8th instant, I have the honour to report that, on calling this afternoon at the Foreign Office, M. de Szögenyi informed me that instructions had to-day been sent to the Austrian Embassy in London announcing the participation of Austria-Hungary in the Sugar Conference on the 24th instant.

In answer to my inquiry, his Excellency informed me that it was not intended to

send any special Delegate from either Austria or Hungary to the Conference, but that the matter would be left in the hands of the Austro-Hungarian Embassy in London.

I have, &c.

(Signed) E. C. H. PHIPPS.

No. 203.

Lord Vivian to the Marquis of Salisbury.—(Received November 14.)

My Lord,

Brussels, November 10, 1887.

WITH reference to my despatch of the 2nd instant, I have the honour to inclose copy of a further note from the Minister for Foreign Affairs, transmitting thirty copies of a printed Memorandum on the Belgian Sugar Laws, which had been prepared at the Ministry of Finance for the use of the Conference, showing the import and excise duties levied in Belgium on foreign and native sugars, or on the raw material from which they are made, and the drawbacks allowed on exportation.

Prince de Chimay also incloses twelve copies of a description of the saccharometer used in the Belgian beet-root sugar manufactories, to which reference is made in the Memorandum; and his Excellency suggests the distribution of these documents among the Delegates of the several States represented at the approaching Conference.

Your Lordship will observe from this second note from Prince de Chimay that the Belgian Government have only appointed two Delegates to represent them at the London Conference, namely, M. Guillaume, Director-General, and M. du Jardin, Inspector-General, of the Ministry of Finance, and that M. de Smet, Sub-Director in that Department, who had been previously described as a Delegate, is now designated as Assistant to the two Delegates.

I have, &c.

(Signed) VIVIAN.

Inclosure 1 in No. 203.

Prince de Chimay to Lord Vivian.

My Lord,

Bruelles, le 8 Novembre, 1887.

PAR un office du 29 Septembre dernier relatif à la Conférence des Sucres qui doit se réunir à Londres le 24 Novembre courant, votre Excellence a bien voulu me faire part du désir exprimé par son Gouvernement de recevoir, en vue de la Conférence dont il s'agit, un exposé des droits et des drawbacks applicables aux sucres en Belgique.

M. le Ministre des Finances avait, dans le but qu'expose l'office de votre Excellence, fait préparer et imprimer un résumé de la législation Belge sur les sucres, relatant entre autres le montant des droits de douane, d'accise et de fabrication qui frappent cette denrée dans notre pays, ainsi que le taux des drawbacks accordés à l'exportation.

J'ai l'honneur de transmettre à votre Excellence trente exemplaires de cet exposé, auquel je joins douze exemplaires de la description du mesureur-compteur en usage dans les fabriques de sucre de betterave en Belgique et dont il est fait mention dans l'exposé en question. Le Gouvernement Britannique ne jugera peut-être pas inutile de faire distribuer ces documents aux Délégués des divers États qui seront représentés à la Conférence.

Ainsi que j'ai eu l'honneur d'en informer votre Excellence par ma lettre du 1^{er} Novembre courant, M. le Ministre des Finances a désigné pour représenter la Belgique à la Conférence de Londres, M. Guillaume, Directeur-Général, et M. Du Jardin, Inspecteur-Général au Ministère des Finances. Ces fonctionnaires seront assistés de M. de Smet, Sous-Directeur au même Ministère.

Je puis ajouter que les Délégués Belges ont reçu pour instructions de se trouver à Londres le Lundi 21 de ce mois.

Veillez, &c.

(Signé) LE PRINCE DE CHIMAY.

(Translation.)

My Lord,

Brussels, November 8, 1887.

YOUR Excellency's note of the 29th September respecting the Sugar Conference which is to meet in London on the 24th instant informed me that your Government was

anxious to receive, for the use of the Conference in question, a statement of the duties and drawbacks on sugar in Belgium.

The Minister of Finance, in view of the request in your Excellency's letter, has caused a statement to be prepared and printed respecting the Belgian legislation on sugar, showing amongst other things the import and excise duties and those on manufacture levied on sugar in Belgium, as well as the rates of the drawbacks allowed on export.

I have the honour to transmit thirty copies of this statement to your Excellency, and beg to annex thereto twelve copies of the description of the meter used in the beet-root sugar factories of Belgium which is mentioned in the statement. The British Government may perhaps think it useful to distribute these papers to the Delegates of the various States represented at the Conference.

As I had the honour to inform your Excellency in my letter of the 1st November, the Minister of Finance had appointed the following gentlemen to represent Belgium at the London Conference, namely, M. Guillaume, Director-General, and M. Du Jardin, Inspector-General at the Ministry of Finance. These officials will be assisted by M. de Smet, Sub-Director at the same Ministry.

I would add that the Belgian Delegates have been instructed to be in London on Monday, the 21st instant.

I avail, &c.
(Signed) LE PRINCE DE CHIMAY.

Inclosure 2 in No. 203.

CONFÉRENCE INTERNATIONALE SUR LE RÉGIME DES SUCRES.

Résumé de la Législation Belge sur les Sucres.

[See "Commercial No. 3 (1888)," pp. 4 and 72.]

No. 204.

Mr. Phipps to the Marquis of Salisbury.—(Received November 14.)

My Lord,

Vienna, November 12, 1887.

WITH reference to my despatch of yesterday's date and to previous correspondence on the subject of the Sugar Conference, I may remark that the "Wiener Allgemeine Zeitung" of this morning observes that the affair had assumed a more earnest appearance than was at first likely to be the case, but that it was, nevertheless, convinced that the whole movement would be abortive. As far as Austria-Hungary was concerned, it was eminently improbable that the new law for sugar taxation, produced in spite of great difficulties, should *ab initio* be annihilated by any such counter-action. It was however desired to give effect to the invitation from London, and an issue had been found consisting in neither the Austrian nor Hungarian Government being represented by special Delegates, but merely by the Embassy in London.

From other sources I learn that those interested in the maintenance of the sugar taxation show great indifference in regard to the Conference, and do not anticipate any result from it which can affect their interests unfavourably.

I have, &c.
(Signed) E. C. H. PHIPPS.

No. 205.

Sir F. Lascelles to the Marquis of Salisbury.—(Received November 14, 11 P.M.)

(Telegraphic.)

Bucharest, November 14, 1887, 8.15 P.M.

ROUMANIA not interested in Sugar question, and will not be represented at the Conference.

No. 206.

Treasury to Foreign Office.—(Received November 15.)

Sir,

Treasury Chambers, November 14, 1887.

WITH reference to the letter from your Department of the 10th instant, I am directed by the Lords Commissioners of Her Majesty's Treasury to request that you will acquaint the Marquis of Salisbury that Mr. F. G. Walpole has been informed of his Lordship's desire that he should be one of the British Delegates at the forthcoming International Conference on the Sugar question.

I am to add that the Board of Customs have granted Mr. Walpole leave of absence for such a period as his attendance at the Conference may render necessary.

I am, &c.

(Signed) C. G. BARRINGTON.

No. 207.

Mr. G. Shute to Foreign Office.—(Received November 16.)

Honoured Sir,

*Thames Sugar Refinery, Silvertown,
London, November 14, 1887.*

I BEG most respectfully and most sincerely to thank you for your great kindness and condescension in personally addressing me your letter from Manchester in answer to mine, which I wrote to you as one of the Delegates of the London Workmen's Anti-Sugar Bounty Association.

My fellow Delegates were every one greatly pleased with your kind letter.

As you said you would not be in London before the 9th instant, we did not immediately write to thank you for your kindness.

We see by the newspapers that the Conference will open on the 24th instant.

We are preparing a Circular, which we will submit to you in a few days.

We had not expected the Conference to have commenced business quite so early.

I have, &c.

(Signed) GEORGE SHUTE.

No. 208.

Sir E. Malet to the Marquis of Salisbury.—(Received November 16.)

My Lord,

Berlin, November 14, 1887.

I HAVE the honour to forward herewith to your Lordship a translation of a note which I have received from Count Bismarck, in continuation of his communication of the 7th instant, forwarded to your Lordship in my despatch of the 8th instant, in which his Excellency states that the Imperial Consul-General in London and Herr Boccus, the Councillor of the Imperial Treasury, have been selected as German Commissioners at the approaching International Sugar Conference to be held in London on the 24th instant.

I have, &c.

(Signed) EDWARD B. MALET.

Inclosure in No. 208.

Count Bismarck to Sir E. Malet.

(Translation.)

Berlin, November 13, 1887.

THE Undersigned has the honour to inform his Excellency Sir Edward Malet, &c., in continuation of his communication of the 7th instant, that the Imperial Consul-General in London, Wirkliche Geheimer Legations-Rath Jordan, and Ober regierungs-Rath Boccus, Councillor of the Imperial Treasury, have been selected as German Commissioners at the approaching International Sugar Conference to be held on the 24th instant in London.

The Undersigned, in adding that His Majesty's Ambassador in London has already been instructed to introduce the above-mentioned gentlemen to Her Britannic Majesty's Government as the German Commissioners, avails himself, &c.

(Signed) H. BISMARCK.

No. 209.

Count Károlyi to the Marquis of Salisbury.—(Received November 16.)

M. le Marquis,

Belgrave Square, le 15 Novembre, 1887.

J'AI l'honneur d'informer votre Excellence que le Gouvernement Austro-Hongrois, déférant volontiers au désir du Gouvernement Britannique de nommer un Délégué Spécial à la Conférence Sucrière Internationale convoquée à Londres pour le 24 courant, a confié cette mission à M. le Comte de Kuefstein, Envoyé Extraordinaire et Ministre Plénipotentiaire, actuellement en fonctions au Ministère des Affaires Étrangères Imperial et Royal.

Le Comte de Kuefstein a déjà représenté plusieurs fois le Gouvernement d'Autriche-Hongrie à des Conférences sur des questions d'économie politique importantes.

Veillez, &c.

(Signé) KÁROLYI.

(Translation.)

M. le Marquis,

Belgrave Square, November 15, 1887.

I HAVE the honour to inform your Excellency that, in accordance with the wishes expressed by the British Government that a Special Delegate might be appointed to the International Sugar Conference summoned to meet in London on the 24th instant, the Austro-Hungarian Government has intrusted the mission in question to the Count de Kuefstein, Envoy Extraordinary and Minister Plenipotentiary, now employed at the Imperial and Royal Ministry for Foreign Affairs.

Count de Kuefstein has several times represented the Austro-Hungarian Government at Conferences on important questions of political economy,

I avail, &c.

(Signed) KÁROLYI.

No. 210.

Foreign Office to West India Committee.

Sir,

Foreign Office, November 16, 1887.

ATTENTION having been called to the meeting of gentlemen connected with the sugar industries held yesterday, I am directed by the Marquis of Salisbury to inform you that Baron Henry de Worms will preside at the approaching Conference on the Sugar question as the Representative of Her Majesty's Government, and not in his official capacity as Parliamentary Secretary to the Board of Trade.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 211.

The Marquis of Salisbury to Lord Vivian.

My Lord,

Foreign Office, November 16, 1887.

I HAVE to request that you will thank the Belgian Government for the documents on the subject of sugar duties and drawbacks in Belgium, forwarded with your despatch of the 10th instant.

I am, &c.

(Signed) SALISBURY.

No. 212.

Mr. Corbett to the Marquis of Salisbury.—(Received November 16, 8.15 P.M.)
(Telegraphic.)

Stockholm, November 16, 1887, 6.55 P.M.

DEPARTURE of Swedish Delegate postponed until date for meeting of Conference
s accepted by all Powers.

No. 213.

The Marquis of Salisbury to the British Delegates at the Sugar Conference.

Gentlemen,

Foreign Office, November 17, 1887.

WITH reference to my despatch of the 9th instant, I now proceed to supply you with preliminary instructions for your guidance at the approaching Conference on the Sugar question.

My Circular despatch of the 2nd July last, a copy of which is annexed to this despatch, recites the circumstances which have led Her Majesty's Government to propose the assembling of the Conference, and the special points to which, in their opinion, its attention should be devoted.

The Belgian Government have asked that the obligation of Belgium to manufacture and refine sugar in bond shall be excluded from discussion at the Conference. No other Power has raised any question of this nature. I conclude, therefore, that the Powers agree to the course of discussion indicated in my Circular despatch, and you may consider that the presence of their Delegates on this occasion signifies their concurrence in the general principle that the collection of duties should be so arranged as to avoid, or to reduce to the lowest possible limits, anything of the nature of a bounty on exported sugar.

The replies which have been received from foreign Governments do not enter into any details connected with the Sugar question. Her Majesty's Government are therefore as yet unacquainted with the views of these Governments on the particular points which will come under examination and discussion. In order, however, to facilitate the progress of business, I have asked the several Governments concerned to prepare an authorized and correct statement respecting the system of levying duties, whether of customs or of excise, on sugar or on the raw material from which it is made, and of the drawbacks on export allowed.

These statements will be placed before the Conference when it meets, and copies will be communicated to you previous to the meeting.

You will report to me from time to time, and apply for instructions on particular points, as circumstances may require.

I am, &c.
(Signed) SALISBURY.

No. 214.

The Marquis of Salisbury to the Representatives in London of Austria, Belgium, Brazil, Denmark, France, Germany, Italy, the Netherlands, Russia, Spain, and Sweden.

M. l'Ambassadeur,

M. le Ministre,

Foreign Office, November 17, 1887.

I HAVE the honour to inform your Excellency that the 24th instant is the date fixed for the meeting of the International Conference on the Sugar question; and I have to request that the Delegates will attend at this Office on that day at 2 P.M. I shall be glad if you will announce to me their arrival in London, their full official designation, and their address in London.

The British Delegates will be Baron Henry de Worms, M.P., who will receive the foreign Delegates on my behalf, and preside at the sittings of the Conference, Mr. Kennedy, C.B., of this Office, and Mr. F. G. Walpole, of Her Majesty's Customs.

It is proposed that Mr. H. Farnall, of this Office, and Mr. A. E. Bateman, of the Board of Trade, shall act as Joint Secretaries to the Conference.

I have, &c.
(Signed) SALISBURY.

Colonial Office to Foreign Office.—(Received November 17.)

Sir,

Downing Street, November 17, 1887.

I AM directed by Secretary Sir Henry Holland to transmit to you, to be laid before Lord Salisbury, with reference to previous correspondence on the subject of the Conference on the sugar industries, a copy of a letter from Mr. Lubbock, written on behalf of those interested in the culture of sugar in the Colonies, complaining that no Delegate directly representing them has been appointed to the Conference.

Sir Henry Holland would be glad to meet the wishes of the representatives of the important colonial sugar industries, but he fears that it may be too late to add another British Delegate to the Conference.

Should this be the view of Lord Salisbury, Sir H. Holland would propose to inform Mr. Lubbock that it is now too late to appoint another British Delegate, and to point out that the British Delegates represent not the Board of Trade, but Her Majesty's Government, and that they may be trusted to keep in view the interests of all classes of Her Majesty's subjects.

Sir Henry Holland would propose also to suggest to Mr. Lubbock that some gentleman selected by those in England interested in the colonial sugar industries should be placed in direct communication with the British Delegates, so as to express the view of the colonial interest on each point as it arises.

I am also to request that arrangements may be made for keeping this Department informed from day to day, or at very short intervals, of the proceedings of the Conference.

I am, &c.

(Signed) EDWARD WINGFIELD.

Inclosure in No. 215.

West India Committee to Colonial Office.

Sir,

51, Lime Street, November 15, 1887.

ON behalf of a meeting of gentlemen held here to-day, representing the interests of the sugar industries of Queensland, Victoria, New Zealand, New South Wales, Fiji, Mauritius, Natal, and the British West Indies and Guiana, I have respectfully to convey to you, and request you to be good enough to communicate to Her Majesty's Government, our extreme disappointment with the arrangement that has been made for the representation of British and colonial interests at the approaching Sugar Conference.

In view, Sir, of the undoubted fact that the colonial interests involved are of considerable magnitude, that a very large portion of the injury inflicted by the bounties upon our home interests arises directly from the injury to our Colonies, that, in fact, the colonial interest is by far the largest one concerned in the question, it is more than disappointing to find that in the appointments which have been made that interest has not been specifically represented.

Moreover, when it is borne in mind that the Board of Trade has persistently, since the appointment of the Select Committee on Sugar Industries in 1879, maintained, contrary to the expressed opinion of leading statesmen of all parties, that the continuance of bounties was an advantage to this country, and has opposed every effort to secure their abolition, it is of evil omen that a Representative of the Board of Trade should be appointed to preside at a Conference the object of which is to bring about a termination of that system. But if the Board of Trade are now prepared to approach the subject unbiassed by the views they have hitherto put forward, our objection would be materially diminished.

We beg further to point out that, in regard to Baron de Worms individually, we have not the slightest ground of complaint. The great ability displayed by him is fully recognized, and on any other question, or even on this question if he had been untrammelled by a connection with the Board of Trade, his services would doubtless be most valuable.

I have, &c.

(Signed) N. LUBBOCK, *Chairman of the Meeting.*

Baron Solvyns to the Marquis of Salisbury.—(Received November 18.)

M. le Marquis, *Légation de Belgique, Londres, le 16 Novembre, 1887.*
 JE suis chargé de rectifier ce que j'ai eu l'honneur de mander à votre Seigneurie par ma note du 3 Novembre, relativement à la nomination de Délégués Belges à la Conférence des Sucres.
 MM. Guillaume et Du Jardin ont seuls été désignés pour représenter le Gouvernement du Roi à la Conférence dont il s'agit. Quant à M. Desmet, il a été chargé par M. le Ministre des Finances d'assister les deux Délégués Belges.
 Je saisis, &c.
 (Signé) SOLVYNS.

(Translation.)

M. le Marquis, *Belgian Legation, London, November 16, 1887.*
 I AM instructed to make a correction in the information contained in my note of the 3rd November respecting the gentlemen appointed to be Belgian Delegates to the Sugar Conference.
 M. Guillaume and M. Du Jardin are alone appointed to represent the King's Government at the Conference in question. M. Desmet has been appointed by the Minister of Finance to assist the two Belgian Delegates.
 I avail, &c.
 (Signed) SOLVYNS.

Count Hatzfeldt to the Marquis of Salisbury.—(Received November 18.)

(Translation.)
 My Lord, *German Embassy, November 16, 1887.*
 THE Imperial Government having accepted the invitation to join the International Conference on the Sugar question which is to meet on the 24th instant in this city, I am now directed to inform your Excellency that the Imperial Consul-General in London, Wirkliche Geheimer Legationsrath Jordan, and the Councillor of the Imperial Treasury, Geheime Ober Regierungsrath Boccius, have been appointed the German Commissioners.
 I have, &c.
 (Signed) v. HATZFELDT.

Sir W. Stuart to the Marquis of Salisbury.—(Received November 18.)

My Lord, *The Hague, November 17, 1887.*
 WITH reference to my despatch of the 10th instant, and to your Lordship's Circular despatch of the 28th ultimo, relative to the approaching Conference upon the Sugar question, I have the honour to forward herewith a copy of a further note which I have received from M. de Karnebeek, accompanied by the Statement respecting the excise duties and drawbacks upon sugar in the Netherlands with which your Lordship expressed your wish to be supplied before the opening of the Conference.

I have, &c.
 (Signed) W. STUART.

Inclosure 1 in No. 218.

M. de Karnebeek to Sir W. Stuart.

M. le Ministre,

La Haye, le 16 Novembre, 1887.

POUR faire suite à ma communication du 10 de ce mois, j'ai l'honneur de vous faire parvenir sous ce pli l'aperçu y mentionné de l'impôt sur le sucre dans les Pays-Bas.

Veuillez, &c.
(Signé) KARNEBEEK.

(Translation.)

M. le Ministre,

The Hague, November 16, 1887.

IN continuation of my communication of the 10th of this month, I have the honour to transmit to you the accompanying Statement, mentioned in my above-mentioned note, showing the duties on sugar in the Netherlands.

I avail, &c.
(Signed) KARNEBEEK.

Inclosure 2 in No. 218.

Législation sur les Sucres dans les Pays-Bas.

[See "Commercial No. 3 (1888)," pp. 24 and 91.]

No. 219.

Sir W. Stuart to the Marquis of Salisbury.—(Received November 18.)

My Lord,

The Hague, November 17, 1887.

IN connection with my previous despatch of this day's date, I have the honour to inclose herewith a copy of a further note which I have received this afternoon from M. de Karnebeek, requesting me to inform Her Majesty's Government that the Netherlands Government will be represented at the approaching Conference in London upon the Sugar question by Messrs. W. A. P. Verkerk Pistorius, Director-in-chief of the Administration of Direct Contributions, Import and Excise Duties, at the Department of Finance; B. Reiger; G. Eschauzier; and C. J. C. van der Ven, Controller of Direct Contributions, Import and Excise Duties.

I may add that M. de Karnebeek told me to day that the Netherlands Delegates would make arrangements to arrive in London on the morning of the 23rd instant.

I have, &c.
(Signed) W. STUART.

Inclosure in No 219.

M. de Karnebeek to Sir W. Stuart.

M. le Ministre,

La Haye, le 17 Novembre, 1887.

POUR faire suite à ma communication d'hier, j'ai l'honneur de porter à votre connaissance que le Gouvernement du Roi sera représenté à la Conférence sur la question des Sucres qui s'ouvrira à Londres le 24 prochain par MM. W. A. P. Verkerk Pistorius, Directeur-en-chef de l'Administration des Contributions Directes, Droits d'Entrée et Accises au Département des Finances; B. Reiger; G. Eschauzier; et C. J. C. van der Ven, Contrôleur des Contributions Directes, Droits d'Entrée et Accises.

En vous priant de vouloir bien communiquer ces noms à votre Gouvernement, je saisis, &c.

(Signé) KARNEBEEK.

(Translation.)

M. le Ministre,

The Hague, November 17, 1887.

IN continuation of my letter of yesterday, I have the honour to inform you that the King's Government will be represented at the Sugar Conference to be held in London on

the 24th November by MM. W. A. P. Verkerk Pistorius, Director-in-chief of Direct Taxes and of Customs and Excise at the Department of Finance; B. Reiger; G. Eschauzier; and C. J. C. van der Ven, Controller of Direct Taxes and of Customs and Excise Duties.

I beg you to communicate these names to your Government, and have, &c.

(Signed) KARNEBEEK.

No. 220.

Baron Solvyns to the Marquis of Salisbury.—(Received November 18.)

M. le Marquis,

Légation de Belgique, le 18 Novembre, 1887.

M. GUILLAUME, Directeur-Général des Douanes Belges, arrive le 21 à Douvres pour assister en qualité de Délégué aux Conférences sur les Sucres.

J'ai l'honneur de solliciter les bons offices de votre Seigneurie à l'effet d'obtenir que toutes les facilités désirables soient accordées par les autorités de la Douane tant à M. Guillaume qu'aux personnes qui l'accompagnent.

Je saisis, &c.

(Signé) SOLVYNS.

(Translation.)

M. le Marquis,

Belgian Legation, London, November 18, 1887.

M. GUILLAUME, Director-General of the Belgian Customs, will arrive on the 21st at Dover to take part, as Delegate, at the Sugar Conference.

I have the honour to request your Lordship's good offices in order that the Customs Authorities may grant all proper facilities to M. Guillaume and to the persons with him.

I avail, &c.

(Signed) SOLVYNS.

No. 221.

The Marquis of Salisbury to Mr. Corbett.

(Telegraphic.)

Foreign Office, November 18, 1887.

24th November fixed for meeting of Conference.

No. 222.

The Marquis of Salisbury to Count Károlyi.

M. l'Ambassadeur,

Foreign Office, November 18, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 15th instant, informing me that Count von Kuefstein has been appointed to represent the Imperial and Royal Government at the approaching Conference on the sugar industry.

I have, &c.

(Signed) SALISBURY.

No. 223.

Foreign Office to Colonial Office.

Sir,

Foreign Office, November 18, 1887.

IN reply to your letter of the 17th instant on the subject of the Sugar Conference, I am directed by the Marquis of Salisbury to request you to inform Secretary Sir Henry Holland that his Lordship concurs in the proposed answer to Mr. Lubbock's letter; and I am to add that the British Delegates to the Conference have already made arrangements to receive a deputation representing colonial interests.

I inclose, for Sir Henry Holland's information, a copy of a letter which was addressed to Mr. Lubbock,* by Lord Salisbury's direction, on the 15th instant.

I am, &c.
(Signed) T. V. LISTER.

No. 224.

Mr. Phipps to the Marquis of Salisbury.—(Received November 19.)

My Lord,

Vienna, November 15, 1887.

I HAVE the honour to state that I received yesterday a private letter from the Under-Secretary for Foreign Affairs, stating that the Imperial and Royal Government had great pleasure in complying with your Lordship's wish concerning Austria-Hungary being represented by a Special Representative at the Sugar Conference on the 24th instant, and that Count Kuefstein, ranking as an Envoy Extraordinary and Minister Plenipotentiary, will go to London as their Representative. The Count has acted in that capacity on many similar occasions. He was, for instance, present at the Bi-metallic Conference.

I called to-day at the Foreign Office and expressed, on the part of Her Majesty's Government, my recognition for the prompt and courteous manner in which the Imperial and Royal Government had taken steps to accede to their wishes in this matter.

I have, &c.
(Signed) E. C. H. PHIPPS.

No. 225.

Mr. Phipps to the Marquis of Salisbury.—(Received November 19.)

My Lord,

Vienna, November 16, 1887.

I HAVE the honour to inclose translation of an official note which I received this morning from the Ministry of Foreign Affairs, signifying to me Count Kuefstein's appointment as Austro-Hungarian Delegate to the Sugar Conference, and at the same time transmitting a statement of duties and drawbacks (of which I have likewise the honour to inclose a translation), for which application had been made in compliance with the instructions contained in your Lordship's Circular despatch of the 28th ultimo.

Count Kuefstein, who called on me this morning, informed me that he expects to arrive in London on Wednesday next.

The Under-Secretary of State expressed to me last night his regret, and Count Kuefstein repeated it, that it had been impossible to find a specialist to represent Austria-Hungary.

A second Customs Conference will assemble to-day to give the Count the necessary information and instructions, but I gathered from him that the Austro-Hungarian Delegate would have to maintain a certain reserve in the discussions, and would be merely in a position to express the opinions of his Government.

I have, &c.
(Signed) E. C. H. PHIPPS.

Inclosure 1 in No. 225.

M. Szögyényi to Mr. Phipps.

(Translation.)

Vienna, November 15, 1887.

IN his note of the 1st November, Her Britannic Majesty's Chargé d'Affaires was good enough to inform the Ministry of Foreign Affairs that Her Majesty's Government had proposed the 24th November as the date for the meeting of the International Conference on the Sugar question.

In thanking Mr. Phipps for this communication, the Undersigned has the honour

* No. 210.

to forward to him herewith the desired statement respecting the system of levying duties on sugar in Austria and Hungary, and to inform him that Count Carl Kuefstein (His Imperial Majesty's Envoy Extraordinary and Minister Plenipotentiary) has been appointed to represent this Monarchy.

(For the Minister for Foreign Affairs),
(Signed) SZOGYÉNYI.

Inclosure 2 in No. 225.

Short Explanation of the System of Sugar Taxation in Austria-Hungary.

(Translation.)

THE tax on beet-root sugar consumed in Austria-Hungary is levied under the Laws of the 27th June, 1878, and the 18th June, 1880, according to the weight of beet-root (used in the manufacture). The weight, however, is not ascertained by scaling, but is estimated by the productive power of, and time taken by, the machinery in extracting the syrup. A further Regulation provides that all sugar factories the productive power of which for the working season is officially fixed are answerable to the State for that portion of the public revenue levied by the tax on beet-root sugar, and by the sugar duty for each working season, *i.e.*, for the period from the 1st August of one year to the 31st July of the next, according to the amount of the tax on their estimated output.

Since the 1st August, 1880, 1 meter centner of fresh beet-root pays duty at the rate of 80 kreutzers, and 1 meter centner of dried beet-root at the rate of 4 fl.

If the diffusion process is employed for the extraction of the beet syrup, the measure of daily production is determined—

1. By the amount of beet-root in such diffusion receptacles as are connected with so-termed batteries, such amount being on an average of a volume of 1 hectolitre for each receptacle (the filling quotient).

2. By the number of times the receptacle is filled.

The number of fillings (filling quotient) is laid down for each working season. For the season of 1887-88 the amount of fresh beet-root to be taxed for every hectolitre volume of the diffusion receptacle connected with batteries, and for each filling of the latter, will be estimated:—

(a.) In the case of batteries with not less than nine, and not more than eleven, diffusion receptacles, at 66 kilog.;

(b.) In the case of batteries of not less than nine, and more than eleven, at 82.5 kilog.

Fifty daily fillings is accepted as the lowest number in estimating the daily productive power of a diffusion vessel.

The manufacturer, however, is at liberty to declare more than fifty fillings daily. Approved meters are used for the purpose of ascertaining the real number of fillings of the diffusion vessels.

In the case of diffusion with other vessels than those connected with a battery, the simple system of weighing the beet-root would be practised, but this process is not in use.

In extracting beet-root syrup, the daily productive power taxed is estimated according to the weight of beet pulp corresponding to the capacity of the press at each filling, and according to the number of fillings. The scale is, moreover, laid down in figures for each working season in the form of Regulations. The net amount obtained by taxing beet-sugar manufacture, and by the import duty on raw and refined sugar in Austria-Hungary, for which the beet-sugar factories, taxed on their estimated output, are responsible, is 12,800,000 fl. for the working season 1887-88, that is to say, for the period from the 1st August, 1887, to the end of July 1888.

Since the 1st October, 1880, the payment of drawbacks on duty and excise on the export of beet and colonial sugar is:—

(a.) For 1 meter centner of sugar, at from 92 to not less than 88 per cent. polarization, 8 fl. 40 kr.;

(b.) For 1 meter centner of sugar, at from $99\frac{5}{10}$ to at least 92 per cent. polarization, 9 fl. 40 kr.;

(c.) For 1 meter centner of sugar, of at least $99\frac{5}{10}$ per cent. polarization, 11 fl. 55 kr.

In addition to the above taxation, manufactured sugar is subject in the kingdom of Hungary to an excise duty of 4 fl. per meter centner, which is, however, only levied

on retail shops and private consumption, but in the case of towns, where an octroi is established, on its entry. Since, however, this excise duty draws no distinction between sugar of foreign and home manufacture, and as, moreover, no drawback is allowed for such excise duty when the sugar is exported, this excise duty in Hungary is not of a nature to afford subject of discussion at the Sugar Conference to be held in London.

No. 226.

Sir F. Lascelles to the Marquis of Salisbury.—(Received November 19.)

My Lord,

Bucharest, November 15, 1887.

WITH reference to my despatch of the 9th instant, and to my telegram of yesterday, I have the honour to inclose a copy of a note which I received yesterday evening from the Roumanian Ministry for Foreign Affairs, expressing the thanks of the Roumanian Government for the invitation to be represented at the Conference on the Sugar question about to be held in London, and stating that, as the question is not one in which they have an interest, they do not propose to avail themselves of it.

I have, &c.

(Signed)

FRANK C. LASCELLES.

Inclosure in No. 226.

M. Pherekyde to Sir F. Lascelles.

M. l'Envoyé,

Bucarest, ce 2 (14) Novembre, 1887.

ME référant à ma note en date du 24-25 Octobre dernier, j'ai l'honneur d'informer votre Excellence que le Département de l'Agriculture et du Commerce, auquel je me suis empressé de communiquer la proposition du Gouvernement de Sa Majesté Britannique relativement à une Conférence qui doit se réunir à Londres dans le but d'arriver à une entente sur la législation des sucres, tout en me chargeant de vous transmettre ses remerciements pour cette invitation, me fait savoir qu'il ne trouve pas utile de se faire représenter à la dite Conférence, la question du sucre ne présentant pas d'intérêt pour nous, vu l'objectif que se propose la Conférence.

Veuillez, &c.

(Pour le Ministre),

(Signé)

T. DJUVARA.

(Translation.)

M. l'Envoyé,

Bucharest, November 2 (14), 1887.

WITH reference to my note of the 24th (25th) October last, I have the honour to inform your Excellency that the Department of Agriculture and Commerce, to which I communicated the proposal made by Her Britannic Majesty's Government relative to a Conference to meet in London with a view to arriving at an understanding on the Sugar question, while asking me to thank you for the invitation in question, informs me that it is of opinion that it need not be represented at the Conference, as the Sugar question, from the point of view of the Conference, has no interest for us.

I have, &c.

(For the Minister),

(Signed)

T. DJUVARA.

No. 227.

Sir Clare Ford to the Marquis of Salisbury.—(Received November 19.)

My Lord,

Madrid, November 16, 1887.

I HAVE the honour to inform your Lordship that I have made inquiries of Señor Agüera, the Spanish Under-Secretary of State, in the absence from Madrid of Señor Moret, whether the Spanish Government had named their Representative to the Conference on the Sugar Bounties question which is to be held in London on the 24th instant; and I have received the reply that no person has been yet named.

[193]

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Señor Agüera, however, states that at the first Council of Ministers which is held the matter will be taken into consideration.

I have, &c.
(Signed) FRANCIS CLARE FORD.

No. 228.

Mr. Corbett to the Marquis of Salisbury.—(Received November 19.)

My Lord,

Stockholm, November 16, 1887.

COUNT EHRENSVARD told me last night that he had just received a telegram from Count Piper, informing him that some of the Governments about to take part in the Sugar Conference had not as yet accepted the date proposed for its first meeting, the 24th instant, and that consequently the Swedish Delegate, Mr. Dickson, who had intended to leave Stockholm to-night for London, would delay his departure until positive information was received as to the date of the meeting.

I have, &c.
(Signed) EDWIN CORBETT.

No. 229.

Mr. Egerton to the Marquis of Salisbury.—(Received November 19.)

My Lord,

Paris, November 18, 1887.

WITH reference to my despatch of the 8th instant, I have the honour to transmit herewith to your Lordship a copy of a note which I have received from the French Minister for Foreign Affairs, and in which his Excellency, on behalf of the French Government, agrees to the 24th instant as the date of the meeting of the Sugar Conference, and acquaints me with the names of some of the Delegates appointed to represent the French Government thereat.

I have, &c.
(Signed) EDWIN H. EGERTON.

Inclosure in No. 229.

M. Flourens to Mr. Egerton.

Monsieur,

Paris, le 16 Novembre, 1887.

EN réponse à votre communication du 29 Octobre dernier, j'ai l'honneur de vous informer que le Gouvernement de la République n'a pas d'objection contre la fixation au 24 du présent mois de la date d'ouverture de la Conférence Internationale sur les Sucres qui doit se réunir à Londres.

Différents Départements Ministériels étant intéressés dans la question, la désignation de tous les Délégués Français à la Conférence n'est pas encore définitivement arrêtée.

Mais je suis, dès-à-présent, en mesure de vous faire connaître que le Département des Finances a fait choix pour le représenter de MM. Sans-Leroy, Député, et Legros, Administrateur à la Direction Générale des Douanes, comme Délégués; et de M. Boizard, Sous-Chef de Bureau à la Direction Générale des Contributions Indirectes, comme Délégué adjoint.

D'autre part, j'ai désigné le Conseiller ou, à son défaut, le Premier Secrétaire, de l'Ambassade de la République à Londres, pour prendre part aux travaux de cette réunion internationale, également en qualité de Délégué Français.

Je vous serai obligé, Monsieur, de vouloir bien notifier ces désignations au Gouvernement de Sa Majesté Britannique.

Agréez, &c.
(Signé) FLOURENS.

(Translation.)

Monsieur,

Paris, November 16, 1887.

IN reply to your communication of the 29th October last, I have the honour to inform you that the Government of the Republic has no objection to the 24th instant

being fixed for the opening of the International Sugar Conference to be held in London.

As various Ministerial Departments are interested in the question, the list of French Delegates to the Conference is not yet definitively settled.

But I can now inform you that the Department of Finance has chosen as its representatives MM. Sans-Leroy, Deputy, and Legros, Administrator at the Central Office of Customs, Delegates; and M. Boizard, "Sous-Chef de Bureau" at the Central Office of Indirect Taxes, as Assistant Delegate.

I have also appointed the Councillor, or, in his absence, the First Secretary of the Embassy of the Republic in London, to take part in the international assembly in question as French Delegate. I should be obliged if you would bring these appointments to the knowledge of Her Britannic Majesty's Government.

I have, &c.
(Signed) FLOURENS.

No. 230.

Sir J. Savile to the Marquis of Salisbury.—(Received November 21.)

My Lord,

Rome, November 15, 1887.

ON receipt of your Lordship's Circular despatch of the 28th ultimo, respecting the approaching International Conference on the Sugar question, I at once communicated the substance of it to Signor Crispi, and have since, in compliance with the instructions contained in your Lordship's telegram of the 7th instant, pressed his Excellency for a statement of the system of duties on sugar in force, and of the drawbacks allowed on export in this country.

I now learn that the Italian Government, in order to save time, have forwarded the statement in question direct to Signor Catalani, who is to represent Italy at the Conference, and have instructed that gentleman to communicate a copy to Her Majesty's Government.

I have, &c.
(Signed) J. SAVILE.

No. 231.

Sir Clare Ford to the Marquis of Salisbury.—(Received November 21.)

My Lord,

Madrid, November 18, 1887.

I INQUIRED of Señor Moret, the Spanish Minister of State, this afternoon, whether he had come to any decision with regard to naming Delegates to the Sugar Bounty Conference about to be held in London, and his Excellency informed me that Señor Cipriano del Mazo, the Spanish Minister, together with Señor Batanero and Señor Dupuy y Lome, would be named to attend it.

Señor Batanero is a Deputy from Cuba, and Señor Dupuy y Lome, who holds the rank of Minister Resident, is a member of the Spanish Foreign Office.

I have, &c.
(Signed) FRANCIS CLARE FORD.

No. 232.

M. de Staal to the Marquis of Salisbury.—(Received November 21.)

M. le Marquis,

Londres, le 7 (19) Novembre, 1887.

LE Gouvernement Impérial vient de m'informer qu'il a fait choix du Conseiller d'État actuel M. G. Kamensky pour le représenter à la Conférence Internationale qui va s'ouvrir à Londres sur la question des sucres.

En notifiant à votre Excellence la nomination de M. Kamensky comme Délégué du Gouvernement Russe et la priant de vouloir bien, en conséquence, l'accueillir et l'assister lorsqu'il aura l'occasion de se présenter aux autorités Anglaises pour s'acquitter de son mandat, j'ai, &c.

(Signé) STAAL.
P 2

(Translation.)

M. le Marquis,

Londres, le 7 (19) Novembre, 1887.

THE Imperial Government has informed me that M. Gabriel Kamensky, "Conseiller d'État actuel," has been selected to represent it at the International Sugar Conference to be held in London.

While informing your Excellency of M. Kamensky's appointment as Delegate of the Russian Government, I beg you to receive and assist him when he presents himself to the English authorities in order to fulfil the duties of his post, and I have, &c.

(Signed) STAAL.

No. 233.

M. Waddington to the Marquis of Salisbury.—(Received November 21.)

M. le Marquis,

Londres, le 19 Novembre, 1887.

PAR votre lettre en date du 17 de ce mois vous m'avez fait savoir que la Conférence Internationale sur les Sucres se réunirait au Foreign Office le 24 Novembre à 2 heures, et vous m'avez exprimé en même temps le désir de connaître les noms avec leurs qualités officielles des Délégués choisis par mon Gouvernement pour le représenter à cette Conférence. En réponse à cette communication j'ai l'honneur d'informer votre Seigneurie que M. Sans-Leroy, Député, M. Legros, Administrateur à la Direction-Générale des Douanes, et M. Boizard, Sous-Chef de Bureau, viennent d'être désignés par le Département des Finances, les deux premiers comme Délégués et le troisième comme Délégué adjoint.

M. le Comte de Florian, Premier Secrétaire de mon Ambassade, est en outre désigné par M. Flourens comme Délégué représentant le Ministère des Affaires Étrangères à la Conférence Internationale sur les Sucres qui doit se réunir à Londres le 24 de ce mois.

D'après la lettre que j'ai reçue du Ministre des Affaires Étrangères, communication du choix de ces Délégués a dû être faite déjà à Paris à M. Egerton.

Veuillez, &c.

(Signé) WADDINGTON.

(Translation.)

M. le Marquis,

London, November 19, 1887.

BY your letter of the 17th instant you informed me that the International Sugar Conference would meet at the Foreign Office at 2 o'clock on the 24th November, and you asked me at the same time for the names and official designations of the Delegates chosen to represent my Government at the Conference in question. In reply, I have the honour to inform your Lordship that M. Sans-Leroy, Deputy, M. Legros, Administrator at the Central Office of Customs, and M. Boizard, "Sous-Chef de Bureau," have been appointed by the Department of Finance, the first two as Delegates, the third as Assistant Delegate.

M. le Comte de Florian, First Secretary of my Embassy, has also been named by M. Flourens as Delegate to represent the Ministry of Foreign Affairs at the International Sugar Conference to meet in London on the 24th instant.

The letter I have received from the Ministry of Foreign Affairs leads me to believe that Mr. Egerton has already been informed of the names of the Delegates chosen.

I have, &c.

(Signed) WADDINGTON.

No. 234.

The Marquis of Salisbury to Count Hatzfeldt.

M. l'Ambassadeur,

Foreign Office, November 21, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 16th instant, informing me of the names of the Delegates selected by the German Government as their Representatives at the Sugar Conference which is to meet in London on the 24th instant.

I have, &c.

(Signed) SALISBURY.

No. 235.

The Marquis of Salisbury to Baron Solvyns.

M. le Ministre,

Foreign Office, November 21, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 16th instant, informing me that M. Guillaume and M. Du Jardin have been named to represent the Belgian Government at the approaching Sugar Conference, and that M. Desmet has been charged by the Minister of Finance to assist the Belgian Delegates.

I have, &c.

(Signed) SALISBURY.

No. 236.

M. Catalani to the Marquis of Salisbury.—(Received November 22.)

(Translation.)

My Lord,

Italian Embassy, London, November 18, 1887.

I HAVE the honour to acknowledge the receipt of your Lordship's note of the 17th instant, informing me that the Sugar Conference will meet at the Foreign Office on the 24th instant, at 2 P.M.

As I had the honour to state to your Lordship in my letter of the 12th September last, the Royal Government have been pleased to appoint me their Delegate at the Conference, and I shall present myself at the Foreign Office on the day and at the hour indicated to take part in the first meeting.

I have at the same time to thank your Lordship for informing me that Baron Henry de Worms, M.P., Mr. Kennedy, C.B., and Mr. F. G. Walpole have been appointed British Delegates at the Conference, and that the first will preside at its sittings; also that Mr. H. Farnall and Mr. A. E. Bateman will act as Secretaries.

I avail, &c.

(Signed) T. CATALANI.

No. 237.

Baron Penedo to the Marquis of Salisbury.—(Received November 22.)

M. le Marquis,

*Légation Impériale du Brésil, Londres,
le 21 Novembre, 1887.*

J'AI l'honneur d'accuser réception de la note que votre Excellence a bien voulu m'adresser le 17 courant pour me faire connaître la date fixée pour la réunion de la Conférence Internationale sur la question des Sucres; et pour me demander en même temps de vous annoncer l'arrivée des Délégués Brésiliens nommés pour la Conférence, ainsi que leurs qualités officielles et leurs adresses à Londres.

N'ayant reçu qu'aujourd'hui réponse à la dépêche télégraphique que j'ai envoyé à mon Gouvernement au sujet des informations demandées, je m'empresse de vous les transmettre en vous priant de m'excuser du retard que j'ai mis à vous répondre.

Le Délégué nommé est M. Pedro Dias Gordilho Paes Leme, qui doit partir ces jours-ci de Rio. En attendant, M. Antonio Augusto Fernandes Pinheiro, Délégué du Ministère d'Agriculture et des Travaux Publics en Europe, demeurant à Paris, 3, Avenue Montespan, sera le Représentant Brésilien à la prochaine Conférence.

Veuillez, &c.

(Signé) PENEDO.

(Translation.)

M. le Marquis,

*Imperial Brazilian Legation, London,
November 21, 1887.*

I HAVE the honour to acknowledge the receipt of the note which your Excellency was so good as to address to me on the 17th instant, informing me of the date which has been fixed for the meeting of the International Sugar Conference, and asking me to bring to your knowledge the news of the arrival of the Brazilian Delegates to the Conference, as well as their official designation and their addresses in London.

Having this day received an answer to the telegram I sent to my Government

asking for the information in question, I hasten to communicate it to you, begging you to excuse the delay which has occurred in answering your letter.

M. Pedro Dias Gordilho Paes Leme has been appointed Delegate, and will shortly leave Rio. In the meantime, M. Antonio Augusto Fernandes Pinheiro, Delegate in Europe of the Ministry of Agriculture and Public Works, whose address is 3, Avenue Montespan, Paris, will be Brazilian Delegate at the coming Conference.

I have, &c.
(Signed) PENEDO.

No. 238.

Count Hatzfeldt to the Marquis of Salisbury.—(Received November 22.)

(Translation.)

My Lord,

German Embassy, London, November 21, 1887.

WITH reference to my note of the 16th instant, I have the honour to acquaint your Lordship that M. Boccius, Geheimer Ober-Regierungsrath, who had been selected as Delegate for the Sugar Conference appointed to meet in London on the 24th instant, together with M. Jordan, the Imperial Consul-General, has fallen ill, and will therefore not be able to take part in the Conference. In his place, M. Jaehnigen, Counsellor of Finances of Hanover, will attend the deliberations as German Delegate.

I have, &c.
(Signed) v. HATZFELDT.

No. 239.

The London Workmen's Anti-Sugar Bounty Association to London Trades Unions and British Workmen.—(Received at the Foreign Office, November 23.)

To the London Trades' Unions and British Workmen.

Fellow Workmen,

WE, the undersigned representatives of the London Workmen's Anti-Sugar Bounty Association (consisting of *bonâ fide* working men engaged in the sugar refining trade), beg most earnestly to impress you with the fact that our industry is rapidly becoming extinct, and that thousands of workmen are being thrown out of employment owing to the pernicious system of foreign bounties, and we ask your support and co-operation in our efforts to find a remedy for this evil.

Nearly all foreign Governments present their refiners with a bounty, averaging about 2l. 10s. upon every ton of sugar which they export, and it is quite evident that neither the sugar nor any other British industry could withstand the united attack of the exchequers of these powerful countries. We do not ask than an industry which cannot keep pace with the times shall be bolstered up by protective measures. We ask for fair play; we are kept out of our markets simply by this foreign Protectionists' device. We are at least equal to the foreign refiners in scientific knowledge and engineering skill, and if placed upon an equal footing with them are perfectly capable of holding our own: we are most anxious that this shall not become a party question, and we emphatically contend that the imposition of a countervailing duty, to the extent of the bounty given on foreign sugar (such duty to cease when the bounties are discontinued), will be no infringement of free trade principles. Free trade maintains the right of the consumer to buy in the cheapest market, but does not sanction the system by which the foreigner bribes our home consumer to buy of him an article which "naturally" is neither cheaper nor better than the home production. Free trade is entirely opposed to every artificial market. One of our greatest living free traders has said, in reply to a deputation of sugar workmen, "I cannot regard with favour any cheapness which is produced by means of the concealed subsidies of a foreign State to a particular industry, with the effect of crippling and distressing capitalists and workmen engaged in a lawful branch of British trade."

No British industry is safe from this unfair attack of foreign protectionists; already there is a strong party in the United States clamouring for the use of some of their vast surplus revenue in bounties upon ship-building.

There is great misconception in the minds of some people as to the effect this countervailing duty would have upon the price of sugar to the consumer; they fancy that prices would reach the high figures of fifteen or twenty years ago; but with the enormous increase of late years in the world's production, and with the wonderfully improved methods of refining, and with the home competition which would spring up in the trade, it could not reach more than from one farthing to a halfpenny per pound above current prices, and we venture to assert that our industry (upon which so largely depends the prosperity of sack makers, coopers, metal founders, engineers, and kindred trades) is of more value to the country at large than the saving of this paltry amount to the consumer.

The countervailing duty we pray for is no new idea. At the Convention of 1864, it was agreed upon by Holland, Belgium, France, and England, though never acted upon; no allegation was made that the imposition of a countervailing duty by England would be a breach of free trade; if France had remained firm to that decision the matter would have been settled, but new competitors came into the field (Austria and others), and France withdrew from her agreement lest she should be unable to compete with those outside of the Convention.

It is plausibly asserted that the jam trade would be injured if countervailing duties were imposed upon sugar. The foreign bounties are a free gift to jam makers of about one farthing per pound at a cruel cost to the refiner, as with him the question of a farthing per pound means prosperity or ruin.

The bounties never called the jam trade into existence, nor is its life dependent upon their continuation. It had its origin in the amazing increase in the world's production of sugar since the English market was thrown open to the world about 1844 or 1845, and in the consequent lowering of prices. It can survive the loss of a bonus which it really has no right to enjoy, and which is destroying an important industry, most economically worked for a very close profit.

It is only in Great Britain that the jam trade can procure sugar duty free; hence it has peculiar advantages here, and ought not to expect the premium of foreign bounties, which are ruining the refiners.

We are given to understand that an International Conference will shortly be held upon the bounty question. And it is our earnest desire that this country shall be represented by some one well versed in the trade, and the manner in which its development has been hindered by this obnoxious and cruel system, and we urgently appeal to our fellow workmen to assist us in our efforts to obtain justice.

We are, &c.

(Signed) JAMES WORSNOP, *President.*
JAMES CONJUIE, *Hon. Sec.*

No. 240.

Count Károlyi to the Marquis of Salisbury.—(Received November 23.)

M. le Marquis,

Belgrave Square, le 21 Novembre, 1887.

EN réponse à la note du 17 courant, j'ai l'honneur de faire part à votre Excellence que M. le Comte de Kuefstein, Délégué Austro-Hongrois à la Conférence Sucrière Internationale, arrivera à Londres le 23 de ce mois, et descendra à l'Alexandra Hotel, St. George's Place.

Le Comte de Kuefstein est Membre Héritaire de la Chambre des Seigneurs d'Autriche, Chambellan, Envoyé Extraordinaire et Ministre Plénipotentiaire de Sa Majesté.

Veillez, &c.

(Signé) KÁROLYI.

(Translation.)

M. le Marquis,

Belgrave Square, November 21, 1887.

IN reply to your note of the 17th instant, I have the honour to inform your Excellency that Count de Kuefstein, the Austro-Hungarian Delegate to the International Sugar Conference, will arrive in London on the 23rd instant, and will stop at the Alexandra Hotel St. George's Place.

Count de Kuefstein is an hereditary Member of the Austrian House of Peers, one of His Majesty's Chamberlains and Envoys Extraordinary and Ministers Plenipotentiary.

I have, &c.

(Signed) KÁROLYI.

No. 241.

M. Waddington to the Marquis of Salisbury.—(Received November 23.)

M. le Marquis,

Londres, le 22 Novembre, 1887.

JE suis chargé à notifier à votre Seigneurie le nouveau choix que mon Gouvernement vient de faire dans la personne de M. Catusse, Directeur-Général des Contributions Indirectes, pour être un des Délégués à la Conférence Internationale sur les Sucres. M. Boizard, qui avait été désigné par ma lettre du 19 Novembre comme devant être Délégué-Adjoint, sera seulement Secrétaire de la Délégation Française.

Veillez, &c.

(Signé) WADDINGTON.

(Translation.)

M. le Marquis,

London, November 22, 1887.

I AM instructed to announce to your Lordship the further appointment made by my Government in naming M. Catusse, Director-General of Indirect Taxes, to be one of the Delegates to the International Sugar Conference. M. Boizard, mentioned in my letter of the 19th November as Assistant Delegate, will now be Secretary to the French Delegates.

I avail, &c.

(Signed) WADDINGTON.

No. 242.

M. de Falbe to the Marquis of Salisbury.—(Received November 23.)

M. le Marquis,

Légation de Danemark, Londres, le 22 Novembre, 1887.

EN réponse à la lettre que votre Excellence a bien voulu m'adresser en date du 17 courant, j'ai l'honneur de l'informer que le Délégué Danois à la Conférence des Sucres, M. le Directeur-Général des Impôts C. V. Lange, Commandeur de l'Ordre du Daneborg, vient d'arriver à Londres, et qu'il est descendu au Grand Hôtel, Charing Cross.

Veillez, &c.

(Signé) FALBE.

(Translation.)

M. le Marquis,

Danish Legation, London, November 22, 1887.

IN answer to your Excellency's letter of the 17th instant, I have the honour to state that the Danish Delegate to the Conference, M. C. V. Lange, Director-General of Taxes, and Commander of the Order of the Danebrog, has arrived in London, and is stopping at the Grand Hotel, Charing Cross.

I avail, &c.

(Signed) FALBE.

No. 243.

Count Piper to the Marquis of Salisbury.—(Received November 23.)

M. le Marquis,

*Légation de Suède et Norvège, Londres,
le 22 Novembre, 1887.*

EN réponse à la note que votre Seigneurie a bien voulu m'adresser le 17 de ce mois, au sujet de la Conférence des Sucres, je m'empresse de l'informer que M. Robert Dickson, Secrétaire-Général au Ministère des Finances, qui a été nommé Délégué de la Suède à la dite Conférence, arrivera à Londres le 23 courant, et que son adresse ici sera Grand Hôtel.

Je saisis, &c.

(Signé) EDW. PIPER.

(Translation.)

M. le Marquis,

*Legation of Sweden and Norway, London,
November 22, 1887.*

IN answer to your Lordship's note of the 17th instant respecting the Sugar Conference, I beg to state that M. Robert Dickson, Secretary-General at the Ministry of

Finance, who has been appointed Delegate for Sweden at the Conference in question, will arrive in London on the 23rd instant, and that his address here will be the Grand Hotel.

I avail, &c.
(Signed) EDW. PIPER.

No. 244.

M. Waddington to the Marquis of Salisbury.—(Received November 23.)

M. le Marquis, Londres, le 23 Novembre, 1887.
J'AI l'honneur d'annoncer à votre Seigneurie que la Délégation Française à la Conférence des Sucres vient d'être complétée par la nomination de M. Pallain, Directeur-Général des Douanes. Elle se trouve donc définitivement constituée ainsi :—

M. Sans-Leroy, Député.
M. Catusse, Directeur-Général des Contributions Indirectes.
M. Pallain, Directeur-Général des Douanes.
M. Legros, Administrateur à la Direction Générale des Douanes.
M. Boizard, Sous-Chef de Bureau aux Finances, Secrétaire de la Délégation.

Ces cinq fonctionnaires représentant le Ministère des Finances.

M. le Comte de Florian, Premier Secrétaire de l'Ambassade de France, représentant le Ministère des Affaires Étrangères.

Veuillez, &c.
(Signé) WADDINGTON.

(Translation.)

M. le Marquis, London, November 23, 1887.
I HAVE the honour to inform your Lordship that the list of French Delegates to the Sugar Conference has been completed by the addition of M. Pallain, Director-General of Customs. The list stands definitively as follows :—

M. Sans-Leroy, Deputy.
M. Catusse, Director-General of Indirect Taxes.
M. Pallain, Director-General of Customs.
M. Legros, Administrator at the Central Office of Customs.
M. Boizard, "Sous-Chef de Bureau" at the Ministry of Finance, Secretary to the Delegates.

These five officials represent the Ministry of Finance.

The Count de Florian, First Secretary to the French Embassy, represents the Ministry of Foreign Affairs.

I avail, &c.
(Signed) WADDINGTON.

No. 245.

The Marquis of Salisbury to M. Catalani.

M. le Chargé d'Affaires, Foreign Office, November 23, 1887.
I HAVE the honour to acknowledge the receipt of your note of the 18th instant, informing me that you have been appointed Italian Delegate at the forthcoming Sugar Conference in London.

I have, &c.
(Signed) SALISBURY.

No. 246.

The Marquis of Salisbury to M. de Staal.

M. l'Ambassadeur,

Foreign Office, November 23, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 19th instant, in which you inform me of the appointment of M. Kamensky as Russian Delegate to the forthcoming Sugar Conference.

I have, &c.

(Signed) SALISBURY.

No. 247.

The Marquis of Salisbury to M. Waddington.

M. l'Ambassadeur,

Foreign Office, November 23, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 19th instant, informing me of the names of the gentlemen who have been appointed by your Government to act as Delegates to the forthcoming Sugar Conference.

I have, &c.

(Signed) SALISBURY.

No. 248.

The Marquis of Salisbury to Baron Penedo.

M. le Ministre,

Foreign Office, November 23, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 21st instant, informing me of the names of gentlemen appointed to take part in the forthcoming International Sugar Conference as Brazilian Delegates.

I have, &c.

(Signed) SALISBURY.

No. 249.

The Marquis of Salisbury to Count Hatzfeldt.

M. l'Ambassadeur,

Foreign Office, November 23, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 21st instant, informing me that M. Jaehnigen will attend the forthcoming Sugar Conference as German Delegate in the place of M. Boccus.

I have, &c.

(Signed) SALISBURY.

No. 250.

The Marquis of Salisbury to the British Delegates to the Sugar Conference.

Gentlemen,

Foreign Office, November 23, 1887.

I HAVE made the following appointments for the Staff for your assistance in the labours of the Conference on the Sugar question, namely:—

Mr. H. Farnall, of this Office, and Mr. A. E. Bateman, of the Board of Trade, to be Joint Secretaries.

Mr. C. A. Harris, of the Colonial Office, and Mr. Eyre Crowe, of this Office, to be Assistant Secretaries.

Mr. W. T. Lawrance, Private Secretary to Baron Henry de Worms; Mr. E. Gosse, of the Board of Trade; and Mr. W. A. Law, of this Office, to be attached to the Conference.

I am, &c.

(Signed) SALISBURY.

The Marquis of Salisbury to the Earl of Onslow.

My Lord,

Foreign Office, November 23, 1887.

HER Majesty's Government think it advisable, with the view more especially to the due representation of the important interests of the British Colonies; that your Lordship should be one of the British Delegates at the Conference on the Sugar question which is about to meet in London.

I have accordingly much pleasure in requesting your Lordship to act in this capacity; and I inclose, for your information and guidance, a copy of the preliminary instructions to the British Delegates.*

I am, &c.

(Signed) SALISBURY.

Mr. Corbett to the Marquis of Salisbury.—(Received November 24.)

My Lord,

Stockholm, November 20, 1887.

M. E. DICKSON, the Swedish Delegate to the Sugar Conference, left Stockholm last night for London.

I have, &c.

(Signed) EDWIN CORBETT.

Count de Bylandt to the Marquis of Salisbury.—(Received November 24.)

M. le Marquis,

Londres, le 23 Novembre, 1887.

J'AI eu l'honneur de recevoir la note que votre Excellence a bien voulu m'adresser le 17 de ce mois au sujet de la prochaine réunion de la Conférence Internationale sur la question des Sucres, et je m'empresse, en réponse à cette note, de lui faire savoir que MM. les Délégués Néerlandais à cette Conférence sont arrivés hier soir à Londres, et sont descendus au Grosvenor Hotel, Victoria Station.

Leurs noms, titres, et qualités sont:—

1. M. le Docteur en droit W. A. P. Verkerk Pistorius, Directeur-Général des Contributions Directes de Douanes et Accises au Ministère des Finances.

2. M. B. Reiger, fabricant de sucre de betteraves.

3. M. G. Eschauzier, fabricant de sucre de Java, temporairement en Europe; et

4. M. Van der Ven, Contrôleur des Douanes et Accises.

J'aurai l'honneur de présenter moi-même ces messieurs à M. le Baron Henry de Worms, demain Jeudi, à 2 heures de l'après midi, au Foreign Office.

Veuillez, &c.

(Signé) C. DE BYLANDT.

(Translation.)

M. le Marquis,

London, November 23, 1887.

I HAD the honour to receive your Excellency's note of the 17th instant, respecting the approaching meeting of the International Conference on the Sugar question, and, in reply thereto, I beg to state that the Netherlands Delegates to the Conference arrived in London yesterday evening, and are stopping at the Grosvenor Hotel, Victoria Station.

Their names, designations, and positions are as follows:—

1. M. W. A. P. Verkerk Pistorius, Doctor of Laws, Director-General of Direct Taxes and of Customs and Excise at the Ministry of Finance.

2. M. B. Reiger, a beet-root sugar manufacturer.

3. M. S. Eschauzier, a sugar manufacturer in Java, temporarily in Europe.

4. M. Van der Ven, Controller of Customs and Excise.

I shall to-morrow, Wednesday, have the honour to present these gentlemen to Baron Henry de Worms at 2 o'clock in the afternoon at the Foreign Office.

I avail, &c.

(Signed) C. DE BYLANDT.

Lord Onslow to the Marquis of Salisbury.—(Received November 24.)

My Lord,

Downing Street, November 23, 1887.

I HAVE the honour to acknowledge the receipt of your Lordship's letter of to-day's date, appointing me to be one of the British Delegates at the Conference on the Sugar question which is about to meet in London.

It will give me much pleasure to serve upon the Conference in this capacity.

I have, &c.

(Signed) ONSLOW.

London Trades' Council to the Marquis of Salisbury.—(Received November 24.)

My Lord,

*East Temple Chambers, Whitefriars Street, Fleet Street,
November 23, 1887.*

YOU will probably remember that our Council had the honour of introducing to your Lordship, on the 22nd July last, a national deputation of the organized trades of the country to protest against the system of foreign State bounties, and to urge the Government to use every effort to secure their abolition.

We now observe with great satisfaction that your Lordship's promise to us has been realized, and that the Government has obtained a Conference of Representatives from all the countries interested, which we hope will have a successful result.

We are, however, a little disappointed at not receiving any official intimation that we—in common with others interested in an effectual solution of the subject—should be allowed to confer with the British Representatives, and give them such evidence for their consideration as may be within our knowledge.

If your Lordship can see your way to rectify this omission, we shall be happy to co-operate, with the view to secure the abolition of these bounties.

I am, &c.

(Signed) GEORGE SHIPTON, *Secretary.*

The Marquis of Salisbury to the British Delegates to the Sugar Conference.

Gentlemen,

Foreign Office, November 24, 1887.

WITH reference to my preliminary instruction of the 17th instant, I now proceed to furnish you with the accompanying additional directions for your general guidance at the Conference on the question of sugar bounties which will meet to-day.

Your principal object should be to obtain from the Conference a decision condemning the grant of bounties, direct or in direct, on the exportation of raw or refined sugar; and the manufacture and refining of sugar in bond appears to be the mode of extinguishing these bounties which is most likely to command general assent; but to England, of course, any legitimate method of attaining the object in view will be welcome. You should seek, in the first instance, to secure a general agreement, in principle, on the plan to be adopted.

If you should be successful in this endeavour, it will probably not be expedient to enter, during the present session of the Conference, into details with respect to modifications of the existing regulations relative to the sugar industries in the countries represented. It is possible that the Delegates of foreign Governments will not be authorized to deal with these matters; and discussions in vague and general language are likely to imperil rather than to promote an understanding on the subject.

If an agreement can be secured on general principles, a draft of Convention should be prepared embodying the necessary stipulations which should be adopted by the Delegates at the Conference, and then be submitted for the early consideration of the respective Governments. If it is desired, you may engage that Her Majesty's Government will become the medium of communication between the Powers with respect to the proposed Convention; and that they will further consult the Powers on proposals made by any Delegates which do not obtain general concurrence, or which are matters of

controversy. I think that a period of about two months would be sufficient for the several Governments concerned to come to a decision on the points which will have to be considered at the end of the present session of the Conference; and if the reply of the Governments is generally favourable, any points of detail which they may raise will probably not require a very long period for consideration and adjustment.

In this manner, if a general agreement is arrived at, it is not unreasonable to hope that a Treaty embodying it may be signed in the course of the spring, and that whatever legislation may be necessary may be undertaken before the summer recess of the Parliaments of the countries parties to the Treaty, in order that the new arrangements provided for under it may come into operation at an early date.

I am, &c.
(Signed) SALISBURY.

No. 257.

Foreign Office to Board of Trade.

Sir,

Foreign Office, November 24, 1887.

I AM directed by the Marquis of Salisbury to request that you will inform the Board of Trade that it has been recommended to his Lordship that Mr. Edmund Gosse should be attached to the Conference on the Sugar question which is now assembled in London.

I am accordingly to request that you will move the Board of Trade to grant Mr. Gosse permission to act in this capacity.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 258.

Mr. Phipps to the Marquis of Salisbury.—(Received November 25.)

My Lord,

Vienna, November 20, 1887.

WITH reference to the inclosure in my despatch of the 16th November, and in view of the negotiations which are about to take place in London with regard to the Sugar question, the following information, published by the Central Chamber of the Austro-Hungarian Beet-root Sugar Industry, may be of interest to your Lordship.

During the working season of 1886-87, of the 45,589,629 meter centners of beet-root liable to taxation, only 42,870,875 meter centners were actually taxed, 2,718,754 meter centners, or 5.9635, being written off in consequence of trade disturbance. The financial result of the season of 1886-87 may be summed up as follows: Assessed tax on beet-root, 34,296,700 fl.; import duty on sugar, 6,155 fl.; in all, 34,302,681 fl.; drawbacks on exported sugar, 29,098,681 fl., after deducting which a surplus of 5,204,174 fl. only is left.

The sugar manufacturers are therefore conjointly answerable to the State for 7,195,826 fl., required to make up the 12,400,000 fl., the sum at which the revenue from sugar taxation is fixed in the Estimates for the working season of 1886-87.

I have, &c.
(Signed) E. C. H. PHIPPS.

No. 259.

The Marquis of Salisbury to Count Károlyi.

M. l'Ambassadeur,

Foreign Office, November 25, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 21st instant, informing me that Count de Kuefstein, the Austro-Hungarian Delegate to the Sugar Conference, was to arrive in London on the 23rd instant, and to alight at the Alexandra Hotel.

I have, &c.
(Signed) SALISBURY.

No. 260.

The Marquis of Salisbury to M. de Falbe.

M. le Ministre,

Foreign Office, November 25, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 22nd instant, informing me that M. C. V. Lange, the Danish Delegate to the Sugar Conference, is staying at the Grand Hotel, Charing Cross.

I have, &c.
(Signed) SALISBURY.

No. 261.

The Marquis of Salisbury to Count Piper.

M. le Ministre,

Foreign Office, November 25, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 22nd instant, informing me that M. Robert Dickson has been named as the Swedish Delegate to the Sugar Conference, and that his address in London is the Grand Hotel.

I have, &c.
(Signed) SALISBURY.

No. 262.

The Marquis of Salisbury to M. Waddington.

M. l'Ambassadeur,

Foreign Office, November 25, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 22nd instant, informing me that M. Catusse has been named as one of the French Delegates to the Sugar Conference, and that M. Boizard will act as Secretary to the French Delegates.

I have, &c.
(Signed) SALISBURY.

No. 263.

The Marquis of Salisbury to M. Waddington.

M. l'Ambassadeur,

Foreign Office, November 25, 1887.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 23rd instant, informing me of the names of the French Delegates to the Sugar Conference, as finally settled on that date.

I have, &c.
(Signed) SALISBURY.

No. 264.

M. Waddington to the Marquis of Salisbury.—(Received November 26.)

M. le Marquis,

Londres, le 24 Novembre, 1887.

EN invitant les différents Gouvernements étrangers à prendre part à la Conférence des Sucres, le Gouvernement de la Reine avait exprimé le désir de recevoir, pour être placés sous les yeux des Délégués des Puissances, des renseignements officiels relatifs au mode adopté, dans les divers pays producteurs, pour la perception des droits de douane ou d'accise sur les sucres, et pour la restitution de ces droits à la sortie.

Pour satisfaire à cette demande, le Département des Finances a préparé deux notices, qui résument la législation Française sur la matière. Conformément au désir qui m'a été exprimé par mon Gouvernement, j'ai l'honneur de transmettre ci-annexés

ces documents à votre Seigneurie, afin qu'ils puissent être déposés à la Conférence en temps utile.*

Veuillez, &c.
(Signé) WADDINGTON.

(Translation.)

M. le Marquis,

London, November 24, 1887.

THE Queen's Government, on inviting the various foreign Governments to take part in the Sugar Conference, expressed a wish to be furnished, for the information of the Delegates of the Powers, with official information as to the systems adopted in the different sugar-producing countries for levying the customs and excise duties on sugar, and for repaying these duties on the sugar being exported.

In order to meet this wish, the Department of Finance has prepared two Statements, showing briefly what are the French laws on the subject. In accordance with the desire expressed by my Government, I have the honour to inclose these papers, so that they may be laid at the proper time before the Conference.*

I have, &c.
(Signed) WADDINGTON.

No. 265.

The Marquis of Salisbury to Sir L. West.

(Telegraphic.)

Foreign Office, November 29, 1887, 1.15 P.M.

CONFERENCE will not conclude its labours for some time. Ask United States' Government if some one from their Legation in London can attend. Chargés d'Affaires of France and Italy represent these countries.

No. 266.

The Marquis of Salisbury to M. Waddington.

M. l'Ambassadeur,

Foreign Office, November 29, 1887.

I HAVE the honour to acknowledge your Excellency's note of the 24th instant, inclosing statements of the method adopted in France for levying the customs and excise duties on sugar, and for paying the drawback on exportation.

I have, &c.
(Signed) SALISBURY.

No. 267.

Mr. Macdonell to the Marquis of Salisbury.—(Received November 30.)

My Lord,

Rio de Janeiro, November 7, 1887.

I HAVE the honour to inclose translation of an article from the "Jornal do Commercio" upon a Report of the Commission appointed to examine the application of the diffusive process in the manufacture of cane sugar, as also upon the causes which retard the sugar industry in Brazil.

I beg leave to point out to your Lordship that Dr. Paes Leme, the proposed Brazilian Delegate to the International Sugar Conference in London, whose appointment I reported in my despatch of the 11th ultimo, was President of this Commission.

I have, &c.
(Signed) H. G. MACDONELL.

* See "Commercial No. 3 (1888)," pp. 14 and 82.

(Translation.)

DIFFUSION AS APPLIED TO SUGAR-CANE.—Some time ago we remarked that the Minister of Agriculture, solicitously desirous of promoting the prosperity of the sugar manufacture, appointed a Committee of competent persons, under the presidency of Alderman Pedro Dias Gordilho Paes Leme, for the purpose of studying at the central factories of Barcellos and Bracuhy, in the Province of Rio de Janeiro, the application of the diffusive process in the manufacture of cane sugar.

We also had occasion to briefly note the progress of the investigations, to which the Committee gave all the careful attention that a subject of such great economical importance deserved to be dealt with.

The Report of the Committee is under preparation; meanwhile, we know the following to be the general conclusions arrived at in reply to the important queries put to it by the Minister of Agriculture:—

1. Cane cultivated in Rio de Janeiro contains 15 to 19 per cent. of saccharine matter, which shows the superior quality of the plant, and its capability to increase the percentage of saccharine matter when perfected culture and selection are intelligently carried out.
2. It follows that all these problems can only be scientifically and practically solved at agricultural stations suitably organized.
3. The machinery used in Brazil requires rectification, not only as regards the capacity of the diffusers, but also as to their number and the internal temperature of each of them.
4. The process of diffusion almost entirely extracts the sugar from the cane, leaving only 0.19 to 0.80 per cent. in the cane refuse.
5. By saturation either with carbonic or sulphuric acid, treacle and raw sugar of greater purity are obtained than by the sole use of the small quantity of lime actually employed.
6. Under the present conditions of the market the extraction of saccharine matter from molasses is not advisable.
7. Moisture of the sugar is explained by the attraction of the superficies and the imperfection of the manufacturing systems.
8. The consistency of the diffused juice can be raised nearly to that of the normal juice.
9. The percentage of sugar (11.4 per cent.) already obtained in Brazil can be yet further increased.
10. The loss of sugar by diffusion is actually calculated at 5.9 per cent., of which nearly 4.9 per cent. is found in the molasses, whereas under the same conditions of manufacture a milling factory would lose 7.6 per cent., of which also 4.9 per cent. exists in the molasses.
11. The expenses for fuel can be reduced by the employment of better studied generators. The Committee has had occasion to verify this fact at Bracuhy with the tubular generators of Naeyer.
12. The Committee is of opinion that the cost of production in Brazil can be reduced to 66 reis per kilog., if not less.
13. In the fertile regions of Brazil the price of 4 milreis per ton of cane is already sufficiently remunerative.
14. The causes which retard the sugar industry are various and numerous; among others:—
 - (a.) Imperfect culture of the plant.
 - (b.) Want of technical hands for perfect and economical manufacture.
 - (c.) The limited development of national industry where sugar and alcohol are employed.
 - (d.) Want of prosperity in the interior of the country, and, consequently, small consumption.
 - (e.) Exportation and inter-provincial taxes that overburden the produce.
 - (f.) Want of establishments of credit which might, moreover, be created under the protection of the Government which, by virtue of the Central Factories Law, has still an amount superior to 8,000,000 milreis for the aiding of any undertaking that may contribute to the development of sugar industry.
 - (g.) The impossibility of competing in the principal markets of consumption in consequence of the protection afforded to products of a similar nature.

Note on Sugar Refining and on Bounties and Duties in British Colonies.—(Received December 1.)

NO Colony except New Zealand, so far as our information goes, grants any bounty on home-produced raw sugar. In New Zealand an Act was passed on the 8th November, 1884, "to encourage the production of sugar from beet-root and sorghum;" by this (1) a bonus of $\frac{1}{2}d.$ per lb. is to be granted "on the first 1,000 tons of sugar produced from beet-root or sorghum grown in the Colony;" and (2) it is provided that no excise or other duty shall be levied on such sugar for fifteen years from the 1st January, 1885, "whilst the present import duty of $\frac{1}{2}d.$ per lb. continues;" but that if the import duty is raised an excise duty may be levied provided that such duty shall always be less by $\frac{1}{2}d.$ per lb. than the import duty; (3) if, during these fifteen years, "the present import duty on sugar is removed or reduced," a bonus equal to the duty so removed or reduced (but not exceeding $\frac{1}{2}d.$ per lb.) is to be paid for all sugar produced in the Colony from home-grown beet-root or sorghum. No record, however, appears of any payments made by the Colonial Treasurer under this Act.

[*Note.*—The rate of import duty on sugar in New Zealand is still $\frac{1}{2}d.$ per lb.]

In Victoria an Act was passed on the 5th September last, taking effect from the 27th July, with the view of limiting the import of beet sugar. This repeals the previous duty on sugar (3s. per cwt. on all kinds), and imposes a duty of 2s. per cwt. on cane sugar imported to be refined in Victoria in a bonded warehouse, 3s. per cwt. on other cane sugar, and 6s. per cwt. on "sugar the produce of beet-root, and all other sugar." From the Treasurer's Budget speech it appears that this enactment was made on behalf of Victorian capitalists having interests in Queensland and Fiji sugar plantations. Queensland and Fiji are the only Australasian Colonies which produce sugar to any extent. There are sugar refineries of some magnitude in New South Wales and Victoria. Those of New South Wales employed 214 hands, and melted down 510,000 cwt. of sugar in 1886. There is no record of the production in Victoria, but the export of sugar refined in the Colony was, in 1885, 41,751 cwt.

In most of the West Indian Colonies the sugar exported is raw or muscovado. There is an export duty on sugar in all the important islands except Barbados. It may be noted that in St. Lucia the Colonial Government have shares (to the amount of 31,300l.) in the Central Sugar Factory. There are also several other factories in the island for the manufacture of crystals. The total export from the island in 1883-84 was—

					1883.	1884.
					Tons.	Tons.
Usine	..	..	..	..	1,463	1,395
Muscovado	..	..	..	..	6,166	7,075

From British Guiana a considerable quantity of vacuum-pan sugar is exported.

CANADA.

Sugar Refineries.

The latest information on the subject in the possession of the Board of Trade relates to the year 1884. In that year there were in the maritime provinces four refineries, with an out-put the annual value of which was given as 7,700,000 dollars (1,604,167l.), (three of these refineries were in the town of Halifax, Nova Scotia). In the non-maritime provinces there were three refineries (two of which were in Montreal), but no particulars are given as to the out-put.

Excise Duties.

No trace can be found of an excise duty on the manufacture of sugar.

Import Duties.

Considerable changes in the import duties on sugar were made in the financial year 1885-86. The rates of duty under the new Tariff, with the quantities imported at each of the various rates, are given in the attached statement:—

Under new Tariff (in force from the 31st March, 1886).

	Rate.	Imports in three months ended June 30, 1886.
Sugar, imported direct, above No. 14 D. S. in colour, and refined sugars of all kinds, grades, or standards	1½ cents per lb. and 35 per cent.	Lbs. 239,560
Sugar, imported direct, not for refining purposes, and not over No. 14 D. S. in colour	1 cent per lb. and 30 per cent.	83,619
Sugar, melado, concentrated melado, concentrated cane juice, concentrated molasses, concentrated beet-root juice, imported direct from the country of growth and production, for refining purposes only, not over No. 14 D. S. in colour, and testing from 80 to 97 degrees by the polariscope	1 cent per lb., and for every additional degree shown by polariscope tests 3¼ cents per 100 lbs. additional	1,366,241
Sugar, not imported direct, above No. 14 D. S. in colour, and refined sugar of all kinds, grades, and standards	1½ cents per lb. and 35 per cent., and 7½ per cent. of duty additional	69,100
Sugar, not imported direct, not for refining purposes, and not over No. 14 D. S. in colour	1 cent per lb. and 30 per cent., and 7½ per cent. of duty additional	20,532
Sugar, melado, concentrated melado, concentrated cane juice, concentrated molasses, concentrated beet-root juice, not imported direct from the country of growth and production, for refining purposes only, not over No. 14 D. S. in colour, and testing from 70 to 95 degrees by the polariscope	1 cent per lb., and for every additional degree shown by polariscope test 3¼ cents per 100 lbs. additional, and 7½ per cent. of duty additional	2,662,950
Syrups, cane juice, refined syrup, sugar-house syrup or sugar-house molasses, syrup of sugar, syrup of molasses or sorghum, imported direct or not	1 cent per lb. and 30 per cent.	95,444
Molasses, other, imported direct without transshipment from the country of growth and production	15 per cent.	Gallons. 475,797
Molasses, other, when not so imported	20 per cent.	9,480
Molasses, imported for or received into any refinery or sugar factory, or used for any other purpose than actual consumption	An additional duty of 5 cents per gallon	..
Sugar candy, brown or white, and confectionery	1¼ cents per lb. and 35 per cent.	Lbs. 649,084
Glucose or grape sugar, dutiable as sugar	According to grade by D. S. in colour	8,091
Glucose syrup	2 cents per lb.	818,197

Board of Trade, December 1, 1887.

No. 269.

Note on the Sugar Legislation in Foreign Countries.—(Received December 1.)

BELGIUM.

THE best sugar make is taxed according to density of juice—the “prise en charge” being 1½ kilog. per 100 litres of juice and per degree of density. Osmose process pays 6 per cent. more, and separation process 8 per cent. more, than the above. Excise on raw beet sugar, 45 fr., which is the tax on second class sugar in the Tariff (Nos. 10 to 14 inclusive, Dutch standard). Customs duties same as excise and drawbacks, but 15 per cent. levied as surtax on imported sugar.

Minimum receipts from customs and excise on sugar fixed by law at 1,500,000 fr. per quarter, and are raised by 50,000 fr. for every 500,000 kilog. of sugar more than the mean consumption of 16,860,000 kilog. Belgian stated consumption is extraordinarily small. Deficit of minimum receipts has to be made up by manufacturers and refiners. Chocolate, sweetmeats, and biscuits all have drawback.

AUSTRIA.

The taxation has for some years been by capacity of vessels, and improved processes yielded a bounty, though this was limited by a minimum net duty being required. The new Bill is for manufacture, &c., in bond. Duty of 11 fl. per metric centner, and avowed bounty of about 1s. 3d. per cwt. This will be capable of removal, leaving tax on the 4,000,000 cwt. consumed to produce 22,000,000 fl. Austrian consumption small, only 13 lbs. per head.

DENMARK.

Manufacture of beet-root sugar is in bond, so there should be no bounties by way of drawback; but there is a direct bounty on sugar about No. 18 Dutch, 102.60 kroner per 1,000 livres, and on syrup 47.92 kroner per 1,000 livres, or about 1½d. per lb. on sugar and ½d. on syrup.

FRANCE.

Between 1880 and 1885 there was little complaint of French bounty, the duty having been lowered by half in 1880; but owing to German bounties and improved yield, sugar makers and refiners got Law passed in 1885 changing tax on sugar to tax on roots with scale of 16 to 20 of roots to 1 of sugar. Allowance to French colonial sugar and surtax on foreign beet sugar were also voted. About 4,000,000l. excise and 2,000,000l. customs were estimated to be netted in 1886, and besides this the drawback or bounty is estimated at about 3,000,000l. As France consumes 25 lbs., or one-ninth of a quintal, per head, a tax of 40 fr. per quintal (about 20 fr. less than the present tax) would produce more than 6,000,000l. Her sugar people will say they cannot compete with the German 12 per cent. yield, but the Havre Chamber owns that French yield is already more than 10 per cent., instead of 5 per cent. before the 1885 change of system. French colonial sugar has, on importation into France, an allowance for waste equal to the estimated excess yield in France of the previous season over the official yield. This allowance for 1887-88 has just been fixed at 36.44 per cent.

GERMANY.

Under present Law there is a root tax of 1 m. 70 pf. per 100 kilog., and a drawback on export of 17 m. 25 pf. per 100 kilog. of raw sugar; but as the net receipts from sugar have been less than 1,000,000l. annually, last Session's Act, which operates on the 1st August, 1888, makes the following change:—

Divides the root tax into a tax of 80 pf. per 100 kilog. on the roots, and for this allows a drawback of 8 m. 50 pf. per 100 kilog. sugar. This will leave a bounty of about 1s. a cwt. if the yield is 8 kilog. roots to 1 sugar. This will produce little net revenue on what is exported, but the consumption tax of 10 marks on refined sugar should give more than 40,000,000 marks, the consumption being about 4,000,000 meter-centners.

If bounties are to be abolished, the machinery will already exist for refining and manufacturing in bond, and there will be little loss to the State.

NETHERLANDS.

The beet sugar maker has choice of manufacturing in bond, but prefers "prise en charge," i.e., payment of duty according to the density of the juice; 1.45 or 1.40 kilog. of refined sugar are supposed to be produced by each hectolitre of juice at each degree of density; 5 per cent. more for the osmose process, or 1½ per cent. in the case of second syrup; 9 per cent. more for Dr. Steffens' process. No import duties, but excise of 27 fl. per 100 kilog. (which is 1l. 2s. 10d. per cwt.) on raw sugar, over 99 per cent.

Chocolate, condensed milk, sweetmeats, &c., receive drawback.

Dutch consumption, 18½ lbs. per head.

ITALY.

Beet-root sugar makers have choice of "l'exercice" or "prise en charge;" estimated yield by density of juice, i.e., 1,500 gr. of second class sugar, of under 20 Dutch standard, for each hectolitre of juice and each degree above unity.

The drawbacks on refined sugar do not satisfy the refiners, who demand the allowance for glucose and salts to be multiplied by 4.

Excise duties are a little lower than in France. Customs duties rather higher Under 20 Dutch, 65 fr. 25 c.; above, 78 fr. 50 c. per 100 kilog.*

The consumption of sugar is small, only about 7 lbs. a-head. Average of last three years' imports for consumption, about 100,000,000 kilog. Customs duty, 2,500,000l.

Board of Trade, December 1, 1887.

No. 270.

Liverpool Workmen's Anti-Sugar Bounty Association to the Marquis of Salisbury.—
(Received December 1.)

May it please your Lordship,

Liverpool, November 29, 1887.

AT a meeting of the above Association, held in their rooms, 24, Moorfield, Philip Harris, Chairman, it was resolved by Daniel Shields, seconded by James Caldwell, and carried unanimously—

“That the best thanks of this Association are due and are hereby most respectfully tendered to your Lordship and your Ministry for having called together the International Conference now being held in London to consider the foreign Sugar bounties, and trust your deliberations may end in the total abolition of the said bounties.”

Remaining, &c.

(Signed) FREDERICK PIKE, *Hon. Sec.*

No. 271.

Birmingham, &c., Association of Coopers to the Marquis of Salisbury.—(Received December 2.)

“White Swan” Hotel, Edmund Street, Birmingham,
December 1, 1887.

My Lord,

I HAVE been instructed to forward to your Lordship copy of resolution adopted at a meeting of the above-named Society held in Birmingham last night, on the Foreign Sugar Bounty question.

I am, &c.

(Signed) HENRY WADLEY, *Secretary.*

Inclosure in No. 271.

Resolution.

THAT this meeting of Journeymen Coopers of Birmingham and district regard the operation of foreign sugar bounties as being an open violation of free trade principles, and ruinous to the employment of British labour in many important branches of home and Colonial industry, and this meeting earnestly calls upon the British Commissioners at the International Sugar Bounty Conference now being held in London to settle once and for all the bounty question by the adoption of effective means, and that a copy of this resolution be sent to the Prime Minister, Baron Henry de Worms and Mr. Walpole.

No. 272.

Board of Trade to Foreign Office.—(Received December 2.)

Sir,

Board of Trade, Whitehall Gardens, December 2, 1887.

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 24th ultimo, asking that, in pursuance of a recommendation which has been

* By a new Law published in the official Gazette of the 27th November these duties are raised to 76 fr. 75 c. and 90 fr. respectively, the new excise duties on home-grown sugar being 55 fr. 95 c. and 61 fr. 15 c.

made to Lord Salisbury, the Board will allow Mr. Edmund Gosse to be attached to the Conference on the Sugar question.

In reply, I am to request you to state to his Lordship that the Board agree to that proposal.

I am, &c.
(Signed) HENRY G. CALCRAFT.

No. 273.

Foreign Office to Liverpool Workmen's Anti-Sugar Bounty Association.

Sir,

Foreign Office, December 2, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 29th ultimo, inclosing copy of a Resolution of the Liverpool Workmen's Anti-Sugar Bounty Association, expressing their thanks to Her Majesty's Government for calling an International Conference to consider the Sugar question.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 274.

Foreign Office to Birmingham, &c., Association of Coopers.

Sir,

Foreign Office, December 3, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 1st instant, forwarding a copy of a Resolution adopted at a meeting of the Birmingham, Wolverhampton and District Good Intent Branch of the Mutual Association of Coopers on the subject of the Sugar question.

I am, &c.
(Signed) JAMES FERGUSSON.

No. 275.

Sir J. Savile to the Marquis of Salisbury.—(Received December 5.)

My Lord,

Rome, November 29, 1887.

I HAVE the honour to inclose a translation, extracted from the official Gazette of 27th instant, a Law, with its appendix, authorizing the provisional and immediate application of increased customs and excise duties upon sugar glucose and acetic acid.

These duties may be summarized as follows:—

NEW Tariff Articles.

				Tariff.	
				Existing.	New.
No. 13.—Sugar, first class ..	..	Per quintal ..	..	Lire c.	Lire c.
				78 50	90 00
Sugar, second class	..	"	..	65 25	76 75

The above increased duties have already been applied, and will form part of the new Tariff on the 1st January next.

				New Tariff.	Increase.
				Lire.	Lire.
No. 17 B.—Syrup of Fecula	..	..	..	40	50

This increased duty continues in force only until the 1st January, 1888, when the said duty of 50 lire per quintal will be applied only to liquid glucose (Article No 14 (b), new Tariff), which now pays 30 lire and was to have paid 40 lire under the new Tariff.

The above increased Customs duties form part of various financial measures which Parliament has approved as a contribution towards covering the deficit in the estimated Budget of the current year.

I have, &c.
(Signed) J. SAVILE.

Inclosure in No. 275.

Law No. 5,052 (Series 3), authorizing the Provisional Application of increased Duties upon Sugars, Glucose, and Acetic Acid.

(Translation.)

HUMBERT I, by the Grace of God and the will of the nation, King of Italy: the Senate and Chamber of Deputies have approved; we have sanctioned and do promulgate the following:—

Article 1. The temporary application, until the 28th February, 1888, inclusively, of the provisions contained in the Appendix which forms an integral part of the present Law, which is to come into force on the 26th November, 1887.

Art. 2. The Royal Government is authorized to apply, on and after the 26th November, 1887, the duties established by Heading No. 30 letters (l) and (m) of the Customs Tariff approved by the Law of the 14th July, 1887, No. 4,703 (Series 3) upon liquid acetic acid and crystallized acetic acid.

With the application of these new duties, the duties laid down under Heading No. 3, letters (a) and (b) of the Customs Tariff now in force upon ordinary vinegar, shall cease to be in force.

We order that these presents, sealed with the seal of the State, shall be inserted in the official collection of the Laws and Decrees of the Kingdom of Italy, commanding all whom it may concern to observe them as the Law of the State.

Dated at Rome this 27th November, 1887.

(Countersigned)
(Visé)

A. MAGLIANI.
ZANARDELLI, *Keeper of the Seals.*

(Signed) HUMBERT.

Appendix.

Article 1. The following alterations are hereby introduced in the Table of Customs duties now in force:—

						Lire c.
No. 13 A.—Sugar of the first class ..	..	..	..	Per quintal	..	90 00
No. 13 B.—Sugar of the second class ..	..	..	..	"	..	76 75
No. 16 B.—Syrups of Fecula ..	..	..	..	"	..	50 00

Art. 2. Sugar manufactories within the realm will be subjected to a tax of 55 lire 95 c. for every quintal of sugar of the second class, and of 61 lire 15 c. for every quintal of sugar of the first class produced.

Art. 3. While the provisions of Article 5 of the Law of the 10th July, 1887, No. 4665 (Series 3), respecting glucose adulterated for employment in manufacturing processes remain unchanged, the tax upon the manufacture of glucose, mentioned in the Article above referred to, is raised to 30 lire per quintal.

Art. 4. The duty of 50 lire upon syrup of fecula continues in force until the 31st December, 1887, inclusive; from the 1st January, 1888, the said duty will be applied only to liquid glucose, which is treated under Heading 14(b) of the Customs Tariff approved by the Law of the 14th July, 1887, No. 4703 (Series 3).

The increase upon the sugar duties laid down in the Tariff now in force is reproduced in the Customs Tariff above referred to, which will come into force on the 1st January, 1888.

(Seen by order of His Majesty),
(Signed) A. MAGLIANI, *Minister of Finance.*

No. 276.

Sir L. West to the Marquis of Salisbury.—(Received December 6.)

(Telegraphic.)

Washington, December 6, 1887.

FIRST SECRETARY at Legation will attend informally sittings of Sugar Conference.

No. 277.

The Marquis of Salisbury to Mr. Phelps.

Sir,

Foreign Office, December 9, 1887.

HER Majesty's Minister at Washington has informed me that the United States' Government have been good enough to accede to the request of Her Majesty's Government that the United States should take part in the Sugar Conference now sitting in London; and Sir Lionel West has been given to understand that the First Secretary of your Legation will attend the Conference informally.

I beg leave to state that the next meeting will take place at this Office on Monday, at 2 p.m., and to say that, if you will make known to me the name of the gentleman who has been designated to attend, he will receive a formal invitation from Baron Henry de Worms, the President of the Conference, and will be supplied, for his confidential information, with the Minutes of the previous sittings.

I have, &c.

(Signed) SALISBURY.

No. 278.

Sheffield Federated Trades Council to Foreign Office.—(Received December 12.)

Dear Sir,

Surrey Hotel, Sheffield, December 7, 1886.

THE following Resolution was passed at a special general meeting of the Federated Trades Council this evening, viz.:—

"That this Federated Trades Council congratulates those employed in the sugar industries that an International Conference is now sitting to consider a basis of settlement of the vexed question of foreign sugar bounties, and trust that the ultimate result will be the removal of all protective bounties. And, further, urges the Government to adopt energetic measures to bring about a final settlement."

Yours truly,

(Signed) CHAS. HOBSON, *President.*

No. 279.

Mr. Phelps to the Marquis of Salisbury.—(Received December 12.)

My Lord,

Legation of the United States, London, December 12, 1887.

WITH reference to your note of the 9th instant, I have the honour to acquaint your Lordship that Mr. Henry White, the First Secretary of this Legation, has been authorized by my Government to attend the Sugar Conference now sitting here to listen and report upon its proceedings in a friendly way, without however committing the United States to participation in its deliberations or conclusions.

In accordance with the intimation contained in your note, Mr. White will attend the meeting of the Conference to-day at 2 o'clock, even should the formal invitation referred to from Baron Henry de Worms not reach him before that hour.

I have, &c.

(Signed) E. J. PHELPS.

No. 280.

Sir R. Morier to the Marquis of Salisbury.—(Received December 13.)

My Lord,

St. Petersburg, December 8, 1887.

BY previous arrangement, I this day officially presented Mr. Law, as Commercial Attaché, to the Minister of Finance.

M. Vishnegradsky, in the course of conversation, freely expressed his views regarding the question of sugar bounties, and I have desired Mr. Law to give the substance of the Minister's remarks in the form of a Memorandum, which I have now the honour to inclose herewith.

I have, &c.
(Signed) R. B. D. MORIER.

Inclosure in No. 280.

*Memorandum on Russian Official Views on the Sugar-Bounty Question.**Remarks of M. Vishnegradsky, Minister of Finance, December 8, 1887.*

THERE is at present no intention on the part of the Russian Government to return to a general system of bounties on the export of sugar. The bounties granted two years ago on the export of sugar to Persia; were intended to turn the attention of Russian sugar-refiners to that country. These bounties will be maintained over a further period of three years, or five years in all. It is considered that these five years will give the Russian traders sufficient time to study and to establish themselves in the Persian market, and that when once thus established they should be able without further assistance to compete on even terms with their chief rivals—the French refiners. It is, therefore, anticipated that in three years' time the system of bounties will be entirely abolished in Russia, but it is not probable that before the expiration of the three years the Imperial Government will consent to abolish bounties on exports to Asia.

The Persian taste requires a softer sugar than is usually made in Russia, and smaller loaves. This is now thoroughly understood, and the Russian sugar is pushing its way well.

No. 281.

Mr. Phelps to the Marquis of Salisbury.—(Received December 14.)

My Lord,

Legation of the United States, London, December 13, 1887.

WITH reference to my note of yesterday respecting the Conference now sitting in London on the Sugar question, I have the honour to inclose herewith a package of documents bearing on the subject of sugar in the United States,* which I have just received from my Government, as of possible use to the Conference.

I have, &c.
(Signed) E. J. PHELPS.

LIST.

Customs Circular	..	..	..	..	..	September 28, 1886
" "	..	..	..	..	..	May 19, "
" "	..	..	..	..	..	February 7, 1884
" "	..	..	..	..	..	November 16, 1883
" "	..	..	..	..	..	October 3, "
" "	..	..	..	..	..	June 9, "
" "	..	..	..	..	..	" 5, "
" "	..	..	..	..	..	May 22, "
The United States' Tariff as contained in the Act of	..	..	..	..	..	March 3, "

* Not printed: see List annexed.

Mr. Macdonell to the Marquis of Salisbury.—(Received December 15.)

My Lord,

Rio de Janeiro, November 23, 1887.

WITH reference to my telegram of the 9th instant, I have the honour to inclose translation of a note which I have received from Baron de Cotegepe, stating that, by a telegram of the 8th instant, the Ministry of Agriculture has charged Dr. Antonio Augusto Fernandes Pinheiro, its Commissioner in Europe and the United States, to represent Brazil at the International Conference in London on sugar industries, pending the arrival of Dr. Pedro Dias Gordilho Paes Leme, the Delegate of the Imperial Government, nominated for that purpose, and who is furnished with the necessary instructions.

I have, &c.
(Signed) H. G. MACDONELL.

Inclosure in No. 282.

Baron de Cotegepe to Mr. Macdonell.

*Rio de Janeiro, Ministry for Foreign Affairs,
November 14, 1887.*

(Translation.)

IN addition to my note of the 2nd instant, I have the honour to communicate to Mr. H. G. Macdonell, Her Britannic Majesty's Envoy Extraordinary and Minister Plenipotentiary, that, by telegram of the 8th, the Ministry of Agriculture charged Dr. Antonio Augusto Fernandes Pinheiro, its Commissioner in Europe and the United States, to represent Brazil at the International Congress of London on Sugar Industries, up to the arrival of Dr. Pedro Dias Gordilho Paes Leme, the Delegate of the Government nominated for that purpose, and who is furnished with the necessary instructions.

I renew, &c.
(Signed) B. DE COTEGIPE.

No. 283.

The Marquis of Salisbury to Mr. Phelps.

Sir,

Foreign Office, December 16, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 13th instant, inclosing documents bearing upon the Sugar question; and, in reply, I beg leave to express the thanks of Her Majesty's Government for these interesting and valuable papers.

I have, &c.
(Signed) SALISBURY.

No. 284.

The Marquis of Salisbury to Mr. Phelps.

Sir,

Foreign Office, December 16, 1887.

I HAVE the honour to thank you for your letter of the 12th instant, informing me that Mr. Henry White, First Secretary of the United States' Legation at this Court, has been authorized by the United States' Government to attend the Sugar Conference in a friendly way.

I have, &c.
(Signed) SALISBURY.

No. 285.

Foreign Office to Sheffield Federated Trades Council.

Sir,

Foreign Office, December 17, 1887.

I AM directed by the Marquis of Salisbury to express his Lordship's thanks for the copy inclosed in your letter of the 7th instant of the Resolution adopted at a special general meeting of the Federated Trades Council of Sheffield on the subject of the International Conference on the Sugar question.

I am, &c.
(Signed) T. V. LISTER.

No. 286.

Sir L. West to the Marquis of Salisbury.—(Received December 19.)

My Lord,

Washington, December 6, 1887.

WITH reference to my telegram of this day I have the honour to transmit to your Lordship copy of a note which I have received from the United States' Secretary of State respecting the appointment of the First Secretary of the United States' Legation to attend the Sugar Conference in London.

I have, &c.
(Signed) L. S. SACKVILLE WEST.

Inclosure in No. 286.

Mr. Bayard to Sir L. West.

Sir,

Department of State, Washington, December 2, 1887.

I HAVE the honour to acknowledge the receipt of your note of the 29th ultimo, in which you inform me that the Marquis of Salisbury has requested you to inquire whether any member of the Staff of the American Legation in London could properly attend the Sugar Conference now in session in London.

In reply, I take pleasure in informing you that, upon consideration of the subject, no objection is seen to authorizing a suitable person to attend the sittings of the Sugar Conference in a friendly way as the Representative of this Government, to listen to its proceedings and report the same, but without committing the United States to participate in its deliberations or conclusions.

Mr. Phelps will accordingly be instructed to allow Mr. White, the First Secretary of the American Legation, to attend the Conference in question with the understanding above indicated.

I am, &c.
(Signed) T. F. BAYARD.

No. 287.

Southport and District United Trades Council to Foreign Office.—(Received December 21.)

My Lord,

42, Hart Street, Southport, December 16, 1887.

AT a well-attended meeting of the Southport and District United Trades Council, held at the Cocoa Rooms, London Street, Southport, on Wednesday, the 14th instant, the following Resolution was unanimously adopted and ordered to be forwarded to your Lordship:—

"That this Trades Council views with satisfaction the meeting of the Conference on the Sugar Bounty question, and urges the Government to adopt energetic measures to insure the abolition of such bounties, believing them to be a gross outrage on the principles of free trade, and a serious injury to important British industries."

I beg, &c.
(Signed) JOHN YOUNG, *Secretary.*

The British Delegates to the Sugar Conference to the Marquis of Salisbury.—(Received December 23.)

My Lord,

Foreign Office, December 22, 1887.

WE have now the honour to submit to your Lordship our Report on the proceedings of the Conference on Sugar Bounties which met in London between the 24th November and the 19th December, 1887.

After a preliminary and general discussion which occupied the first two sittings, an agreement in principle was arrived at for the total suppression of bounties on the exportation of raw and refined sugar.

A Sub-Committee was then named, to discuss, in a manner less formal than at the meetings of the Conference (when the Minutes of the proceedings are taken), technical details, and to draft the bases of an agreement between the Powers to give effect to the general principle which had been adopted.

The Report of the Sub-Committee was accepted by the Conference.

The following are the principal points of the Protocol and draft of Convention drawn up on the adoption of this Report, and agreed to at the sittings held on the 17th and 19th instant:—

1. The Powers parties to the Treaty agree to take the requisite measures, in order to afford an absolute and complete guarantee against bounties avowed or indirectly obtained on the exportation of sugars.

2. These Powers agree further to establish a system of sugar duties, leviable on the quantity of sugar produced and destined for consumption, as affording the only means of abolishing bounties. This system is known in popular language as manufacturing and refining in bond; and if it is strictly applied, and no reimbursement under the name of drawback or other designation is made, the means whereby a bounty is granted or is obtainable disappear entirely.

3. The Belgian Delegates reiterated the objections which their Government has put forward against the introduction into Belgium of the system of manufacturing and refining in bond. They offered on the part of their Government to reduce the sugar duty from 45 fr. to 25 fr. per 100 kilog. on sugars known as second class, and to raise the amount of the estimated yield for payment of duty from 1,500 to 1,700 grammes of sugar per hectolitre of juice and by degree of density.

4. States and their Colonies which do not levy duty on sugar, or which engage not to grant drawbacks, or allow any methods of obtaining reimbursement on account of payments previously made, are admitted to become parties to the Treaty.

5. States which impose duties on sugar after becoming parties to the Treaty must proceed according to the systems laid down under the heads 2 or 4.

6. Provision is made for India and British Colonies having responsible Governments becoming parties to the Convention, in the form now used in British Commercial Treaties; and likewise for the various arrangements of form, which are either required in the present instance, or usual in international engagements of this nature.

We now proceed to lay before your Lordship certain remarks and suggestions on the preceding statement, and on matters which were brought before the Conference:

(a.) Stress was laid by the First Delegate of France, more particularly on the British Colonies and foreign possessions being brought within the Convention. We venture to suggest that the attention of the Secretaries of State for the Colonies and for India should be called to this matter.

(b.) As regards the position of Belgium, we admit that from the representations made by the Belgian Delegates there is force in their objections against the introduction of the system of manufacturing and refining in bond in that country. On the other hand, it cannot be denied that the offers made by the Belgian Delegates do not put an end to the obtaining of bounties, though their amount will be reduced.

If the Delegates of the other Powers had been satisfied with the Belgian offers, we should not have made objection. But we fear that difficulty in the conclusion of the Convention may ensue from the divergence of opinion on this point; and we would suggest that the Belgian Government might properly be asked whether the solution which on the whole is easiest would not be the abolition of sugar duties in Belgium.

(c.) Bearing in mind the desire of Her Majesty's Government that the Convention should come into force at as early a date as possible, we proposed the 1st August, 1888, the 1st August being the date when an alteration of system will occasion least inconvenience to the beet-sugar industry. We also thought that this date would allow

sufficient time for the necessary arrangements to be carried out in order to bring the Convention into effect.

It was objected to by several Delegates, however, as not allowing the period required in their respective countries for the change of system; and in the end, the date when the Convention shall come into operation was left blank in the draft.

It may be well, in the communication which will now be addressed to the Powers, to urge them to indicate the earliest date to which they can adjust the action to be pursued in their respective countries and the requirements of the sugar industries.

Two questions of considerable importance were discussed at the Conference, although they are not mentioned in the Protocol or the draft of Convention.

(d.) The question of surtaxes on sugar the produce of one of the States party to the Treaty imported into other countries also parties to it. This point was raised by the Netherlands Delegates, with the object to secure that the customs duty on such sugars shall not exceed the rate charged on the Colonial sugar of the Power by which the customs duty is levied, nor the amount paid by beet-sugar the produce of that country. The Netherlands Delegates laid stress on the fact, that a stipulation to this effect is contained in the Treaties concluded in 1875 and in that which was drafted in 1887.

The matter, however, seemed to us to be a question of internal taxation and legislation, and hardly within the scope of the Convention which is now under consideration. The Netherlands proposal was objected to generally by all the Delegates except the Belgian Representatives.

We would suggest that the opinion of the several Governments should be requested respecting this proposal. If it becomes an obstacle to the conclusion of the Convention perhaps some limitation of the amount of the surtax may finally be settled.

(e.) The Spanish Delegates raised the question, which we were aware would be brought forward, as to the treatment of sugars exported to countries parties to the Convention from countries which give or allow bounties. It is to be observed that while the suppression of bounties is a matter of recognized interest to all the countries that will be parties to the Convention, yet the provisions of the Convention will impose certain burdens on the sugar industries of these countries. This application made by the Spanish Delegates is that, in return for undergoing these burdens, the sugar industries of the countries concerned shall be relieved from the competition in their own market, and in that of the other countries parties to the Convention; in other words, that an unfair advantage is obtained by the admission on equal terms of bounty-fed and non-bounty-fed sugar.

It did not appear that any Delegates were supplied with instructions on this point, which it was assumed would not arise in the recent Session of the Conference; but there seemed to be sympathy in several quarters with the Spanish proposition. This also is a matter on which the opinion of the Governments should be asked.

(f.) The exact position of the sugar-producing Colonies of the Powers represented, and the views and intentions of their respective Governments as to their inclusion in the proposed Convention, should likewise be clearly ascertained.

In conclusion, we desire to make known to your Lordship our high sense of the cordiality with which the Delegates of all the Powers acted with us throughout the sittings of the Conference; and we venture to think that the best thanks of Her Majesty's Government should be expressed to all the Governments represented, which thus cordially co-operated with Her Majesty's Government in the consideration and discussion of the questions at issue; and likewise to the Government of the United States in naming Mr. White, First Secretary to their Legation in London, to attend our sittings, and to report to Washington on the subject. At the same time, it is to be observed that the ultimate success of the Conference, and of the Treaty which we trust will be the result of its labours, must necessarily depend on the good-will of the Powers concerned. And it would seem better to rely on the sincerity of their intentions and endeavours in this respect rather than to attempt to define by Treaty details of internal arrangements, and to seek to establish uniform provisions for the administration of these Regulations.

We trust that the further action which has now to be taken will be completed, so as to enable the Convention to be signed next April, and to be brought into operation without any long or unnecessary delay.

We have, &c.

(Signed) HENRY DE WORMS.
ONSLOW.
C. M. KENNEDY.
F. G. WALPOLE.

No. 289.

Foreign Office to Southport and District United Trades Council.

Sir,

Foreign Office, December 23, 1887.

I AM directed by the Marquis of Salisbury to acknowledge the receipt of your letter of the 16th instant, inclosing copy of a Resolution of the Southport and District United Trades Council on the subject of sugar bounties.

I am, &c.

(Signed) T. V. LISTER.

No. 290.

The British Delegates to the Sugar Conference to the Marquis of Salisbury.—(Received December 24.)

My Lord,

Foreign Office, December 24, 1887.

WE have the honour to inclose, for your Lordship's information, the communications, a list of which is annexed to this letter, which we have received in connection with the Conference on the Sugar question. We have further added notices, extracted from the public press, of certain of the deputations received by us at which important points were raised.

We have, &c.

(Signed) HENRY DE WORMS.
ONSLOW.
C. M. KENNEDY.
F. G. WALPOLE.

LIST.

West India Committee	August 22, 1887
London Workmen's Anti-Sugar Bounty Association	November 14, "
Deputation from Workmen's National Association for the Abolition of Sugar Bounties	" 15, "
Petition from the Town of Greenock	" 17, "
Dock and Riverside Labourers' Council of the Port of London	" 19, "
British and Colonial Anti-Bounty Association	" 22, "
London Workmen's Anti-Sugar Bounty Association	" 23, "
Working men of Derby	" 23, "
Deputation from West India Committee	" 23, "
" " British Sugar Refiners' Committee	" 23, "
" " London Workmen's Anti-Sugar Bounty Association	" 23, "
Working men of Liverpool	" 24, "
Amalgamated Society of Watermen and Lightermen of the River Thames	" 24, "
Water Consumers' Association	" 24, "
West India Committee	" 24, "
" "	" 25, "
London Workmen's Anti-Sugar Bounty Association	" 26, "
" "	" 26, "
To " London Workmen's Anti-Sugar Bounty Association	" 28, "
Portsmouth, Gosport, Isle of Wight, and South Hants Grocers' Association	" 26, "
Liverpool Workmen's Anti-Sugar Bountury Association	" 29, "
London Trades Council	" 29, "
Deputation from London Trades Council	" 29, "
Birmingham, &c., Association of Coopers	December 1, "
Sheffield Federated Trades Council	" 7, "
Extract from the "Times"	" 9, "
Nottingham United Trades Council	" 10, "
Southport and District United Trades Council	" 16, "
British Sugar Refiners' Committee	" 23, "

Inclosure 1 in No. 290.

The West India Committee to Sir H. Holland.

*West India Committee, 51, Lime Street, London,
August 22, 1887.*

Sir,

I HAVE only quite recently had the opportunity of perusing the Blue Book containing the Report of the discussion on sugar bounties at the Colonial Conference

on the 29th April last. I beg respectfully to call your attention to an error of some importance in that report. In reply to a question of Sir E. Griffith, I am reported as follows (pp. 384-403):—"Hence I think it will be found, when we come to close quarters, that probably all countries, except France, will be anxious to join in a Convention for the abolition of bounty, assuming always that there is some provision in that Convention against any outside country being allowed to send their sugar free into these markets, and that there might be some difficulty raised on the part of the French industry."

What I really said was, not that foreign Governments would require a provision against outside countries, *i.e.*, countries who are not parties to the proposed Convention, being allowed to send sugar free to this market; but a provision against such countries being allowed to send sugar with a bounty to this country.

I am afraid it is too late to procure the insertion of this correction in the Blue Book, but as it is of importance that such a statement should not, in future discussions of the question, be attributed to me, I venture to address you, Sir, for the purpose of having my correction of the Report placed on record.

I have, &c.
(Signed) N. LUBBOCK.

Inclosure 2 in No. 290.

Mr. G. Shute to Baron H. de Worms.

*Thames Sugar Refinery, Silvertown, London,
November 14, 1887.*

Honoured Sir,

AS one of the delegates of the London Workmen's Anti-Sugar Bounty Association, which is not the body that was reported in the "Times" of the 5th instant to have sought an interview with the Premier in regard to these sugar bounties, I hereby desire, for myself and my fellow-delegates, to inform you that, although we are combined for the same object, we have been unable to co-operate with that body, notwithstanding that we wish it success in its prayer for the abolition of the foreign sugar bounties.

We are plain working men employed by the five surviving sugar refineries now actually at work in London. We are every day engaged in our daily duties, and have no part or sympathy whatever with open-air agitation, or the recent proceedings of the unemployed, all our meetings hitherto having been in private. We have no political object, and would on no account wish to tamper in the slightest degree with the long-established policy of free trade. We witness with alarm and apprehension the steady decline in the industry we have been trained to, and in which some of us have grown old. We know that there is an immense consumption of the article that our employers produce, and an enormous increase in the supply of the raw material which has brought prices so low in recent years as to cause the use of sugar per head to be fourfold what it was a generation ago. But though at the same time population rapidly multiplies, the business we follow continues to decay, and its days seem to be numbered. We see starving sugar operatives at our employers' gates seeking work in vain, and we fear that before long we must swell this unhappy crowd. We beg you to kindly excuse our anxiety, and we hope you will allow us to add our prayers to those who have already petitioned the Government to deal courageously with these bounties. We regard them as a protectionist device to rob this country of an important industry by artificially deranging prices. We hold that it is entirely in conformity with free trade principles to defeat the bounties by countervailing duties, if they cannot be got rid of in any other manner. Interested persons and theoretical professors may pretend that countervailing duties are contrary to free trade principles, but we believe that whilst true free trade gives every consumer access to the cheapest natural market for every article he requires, it does not wink at the foreigner bribing the British public to buy of him what he can neither produce cheaper nor better.

At the Convention of 1864 (Article XIX) it was agreed upon that countervailing duties should be imposed against foreign bounties by France, Belgium, Holland, and England, and no contention was then made that England was departing from free trade principles.

France subsequently withdrew, in consequence of the action of Austria, and we humbly suggest that the way to compel adhesion to the object of the forthcoming Conference, and to bring Representatives from all bounty-giving countries to the

Conference, is that our Government should threaten the imposing of a countervailing duty.

The bounties only make a difference of about one farthing per pound, and have nothing whatever to do in the great lowering of prices to the consumer, which is owing to the vast growth of sugar. But this difference of one farthing per pound is vital to the refiner, who has to make up by a quick and great turn over for a very minute profit. The fact that so many works are standing idle proves this assertion.

The jam and confectionery trades have no right to the benefit of these bounties, which never called into existence these industries. They owe their origin to the great cheapness of sugar, and not to the bounties, and do not work for the close profit which the refiners are obliged to do. It should not be forgotten that in no other country could the jam and confectionery industry be carried on as in England, which is the only country where sugar is entirely duty free. The price of fruit fluctuates more than the price of sugar, yet the jam and confectionery manufacturing flourishes, and is receiving an unjust bolstering up, by the bounties, at the cost and ruin of the sugar refiners. No drawbacks are given on sugar mixed with fruits by the Governments of the countries that send us bounty-fed sugar. Those countries cannot make jam with their own taxed sugar so cheaply as the British manufacturers can, who are thus protected here (by the additional advantage of obtaining their sugar one farthing per pound below its natural cost) in a degree that no other industry relating to sugar can attain to under present conditions.

We have the greatest hope in the Government taking our part, and obtaining justice for us and for our employers. We hail with pleasure the Premier's declaration at the Guildhall last week, that Scotch and English requirements will occupy the attention of Parliament next Session, and we have the greatest confidence that the sufferings and reasonable apprehensions of the working classes—and even of individuals—will be practically attended to by the present Government.

I remain, &c.
(Signed) GEORGE SHUTE.

Inclosure 3 in No. 290.

Memorandum by Mr. F. G. Walpole.

RECEIVED deputation of Workmen's National Association for abolition of Sugar Bounties.—Mr. Maclean, President; Mr. S. Peters, Secretary; Mr. T. M. Kelly, representing Dock Labourers.

The object the deputation had in view was—

1. To ascertain whether a representative from their body or any body interested in this country could be present at the Conference, to which I replied that I had no reason to suppose that Her Majesty's Government would sanction this course, and that such a course would lead to foreign refiners and sugar manufacturers, and requiring to be placed at the same advantage.

2. They expressed a fear that unless the foreign Delegates had full powers given them, and had to return to submit proposals, the classes interested abroad will succeed in defeating any arrangement.

3. For the reasons stated in No. 2 they desired to urge that the British Delegates should from the first be instructed to state that failing an Agreement, Her Majesty's Government would take such steps as they may be advised in accordance with Article XIX of the Convention of 1864.

4. They enlarged upon the great distress in the east end of London, and the strong feeling among working men that they had claims upon Her Majesty's Government irrespective of foreign Governments to stop the system of bounties which entailed such disaster upon their class. With respect to this point, they added that they wished it particularly to be understood that they made no claim as against foreign Tariffs, but only as regards the "pernicious" effects of bounties.

Foreign Office, November 15, 1887.

F. G. W.

Inclosure 4 in No. 290.

Petition.

The Petition of the Provost, Magistrates, and Town Council of Greenock,

Humbly sheweth:

THAT your petitioners, representing a population, within the municipal boundaries, of over 70,000 persons, and a valuation roll of 369,000*l.*, are intrusted with the administration of the several public funds of the burgh, comprising the Town Proper Trust, the Board of Police Funds, and the Water Trust, and, as custodians of the public weal, have a deep interest in the prosperity of the inhabitants and the special industries of the town and district.

That the staple trade of the town, that of sugar refining, has been established for over 120 years, and has hitherto been one of very considerable magnitude, constituting, with similar trades in London, Liverpool, and elsewhere, an important national industry.

That labour in the town is cheap and plentiful, and the natural situation of Greenock as a seaport, having in addition cheap water power from immense reservoirs in the hills closely adjacent, favours cheap production.

That your petitioners recognize in the sugar refining trade of Greenock and the many trades attendant thereon, the largest contributors to the revenues of the public trusts under the control of your petitioners, for municipal assessments, for water and for water power, and for other charges attaching to large works, and reckon that fully one-fifth of the entire population is engaged, directly or indirectly, in the prosecution of this important local industry.

That your petitioners cannot shut their eyes to the perilous condition of this their great staple trade, in consequence of the long-continued and ruinous operation of foreign bounties on sugar—intensified by a recent increase on these bounties—which threatens speedily to bring home to the town of Greenock the same extinction of a legitimate industry which has visited Bristol, Dublin, and Southampton, and already closed the doors of extensive works in London and in Greenock, and aims at the transference of a great branch of British commerce to foreign nations.

Your petitioners therefore pray that in the national as well as in the local interest your honourable House will take immediate steps by the most energetic methods that can be devised to frustrate and defeat the nefarious designs of these foreign nations, and so restore to the country and to the town of Greenock a fair basis of trade competition by which alone so valuable a national industry can survive.

And your petitioners will ever pray.

Signed by the Provost and by the Town Clerk, under the Seal of the Corporation of Greenock, and duly forwarded to Her Majesty's Government, and for presentation to the Houses of Parliament, on the 8th and 11th July, 1887.

The above is sent for information, and with all respect, by the proposer of the Memorial in the Council.

(Signed)

JOHN LANG, *Magistrate.**Greenock, November 17, 1887.*

Inclosure 5 in No. 290.

*Dock and Riverside Labourers' Council of the Port of London to the British Delegates.**Trafalgar Coffee Hotel, Leman Street, Whitechapel,*
November 19, 1887.

Sir,

I AM specially directed by the Council of the Dock and Riverside Labourers, representing the vast body of labour dependent for employment upon the port and docks of London, to send you, in conjunction with Lord Salisbury and Baron H. de Worms, the inclosed Resolution, which was unanimously adopted at a meeting of the Council held last night in Whitechapel, and which correctly represents the feelings of tens of thousands of East-end labourers on the Foreign Sugar Bounty question.

I am, &c.

(Signed)

JOHN CHANDLER, *President of the Council.*

Inclosure 6 in No. 290.

Resolution.

THAT this Council meeting, representing the views and opinions of the Dock and Riverside Labourers of the port of London, regard with the utmost indignation the great loss of employment to our order through the destruction of the West Indian sugar trade caused by foreign bounties. This Council meeting charges the continuance of the Foreign Sugar Bounty System with being directly responsible for the distress and destitution now prevailing in the East-end of London. Therefore, this meeting earnestly calls upon Her Majesty's Government not to permit the International Conference to separate without effecting a thorough settlement of the Bounty question, and strongly advocates the establishment of defensive countervailing duties against Foreign Export Bounties, should such a course be necessary.

(Signed)

JOHN CHANDLER, *President.*

Inclosure 7 in No. 290.

British and Colonial Anti-Bounty Association to Baron H. de Worms.

Sir,

51, *Lime Street, London, November 22, 1887.*

I AM desired by the British and Colonial Anti-Bounty Association, representing upon this question the views of the colonial sugar planting and refining and British sugar refining industries, to inform you that it is the unanimous opinion of this Association that the abolition of the drawback system by the general introduction of manufacturing and refining in bond is the only security for the cessation of export bounties.

I beg to remind you that this view is in strict accordance with the recommendation of the Select Committee on Sugar Industries of 1879-80, and it had previously been agreed to by France and Holland as the result of negotiations in 1874 and 1875.

We presume that the object of the Conference is to secure the entire cessation of bounties, and that Her Majesty's Government are now convinced that this system is injurious to British home and colonial interests, and that its entire suppression is a desirable object to attain. And seeing that this system, instead of diminishing, has now extended to enormous proportions, and that the time has arrived for decisive action to be taken in the interest of British industries, it may be taken for granted that every endeavour will be made by Her Majesty's Government to secure, once for all, a settlement of the question. This settlement could be best arrived at by manufacturing and refining in bond, and thus secure the duty being charged upon the finished article as it goes into home consumption, and obviate, therefore, drawbacks upon export.

We regard the granting of bounties as, to all intents and purposes, a breach of the favoured nation clause; and we think that it should be put before the Conference that produce exported under bounty should be exempted from the privileges of that clause. In order to make this clear, we beg to call your attention to the inclosed Memorandum* drawn up by Mr. Sheppard, barrister-at-law, of Lincoln's Inn.

And, further, we would suggest that Her Majesty's Government cannot expect that any Convention abolishing bounties will be effective unless it contains a clause providing for a legislative security on the part of Great Britain against the resumption of the bounty system by any Contracting Power, or the continuance of that system by any non-contracting Power. It is not probable that any country will abolish its bounty system if by so doing it is placed at a disadvantage in British markets as compared with other countries. We trust, both for the British interests we represent and for the just satisfaction of foreign countries, who, at the desire of Her Majesty's Government, take measures for abolishing their bounties, that Her Majesty's Government will obtain the necessary security both against the continuance of unequal competition and the revival of the bounty system when once abolished; and, once for all, secure that, in respect to the sugar industry, free trade principles shall be restored and maintained.

I have, &c.

(For Nevile Lubbock, *Chairman*),

(Signed)

JAMES L. OHLSON, *Secretary.*

* Not printed.

London Workmen's Anti-Sugar Bounty Association to Baron H. de Worms.

Views of Workmen on the Foreign Bounty System.

THEY are most unjust, being concealed subsidies, ruinous alike to British industry and to our Colonies, and injurious to the consumers of those countries that give the bounties.

Sir, we will not attempt to waste your time with statistics and arguments, with which we feel sure you are much better informed than we can be; but we do feel grateful for the privilege of this interview, and we hope that due allowance will be made for the great anxiety and dread that fills our minds in regard to the future of ourselves and families.

We witness with alarm the rapid decay of the industry in which we have spent our lives, and grown old in, and therefore not eligible for other employments. We are here representing the remnant of what was once a vast industry of London, and of which only five factories now remain.

We have witnessed with alarm and indignation one after another of the refineries closing their gates all over the country and their workmen sent adrift; men who from the previous nature of their calling, amidst intense heat, are nearly incapable of outdoor work, and we have seen them aged in a few months and rendered desperate by their futile attempts to obtain employment. We have, with sadness, seen their homes broken up, and their families destitute, without food or education. These scenes we have witnessed while engaged in trying to alleviate their sufferings, and they have filled us with indignation and alarm, lest what is their case to-day may be our own soon.

In the east of London, hospitals and other institutions have suffered from lack of subscriptions given by these factories now closed, and churches have suffered severely, their congregations being scattered in search of work. The men who composed these congregations have been robbed of their livelihood, and we have asked ourselves: "Should this state of matters exist? Should all this capital and labour at home and in the Colonies be wasted in order that foreign industry be developed, and the consumer bribed by the artificial cheapening of sugar, which will only be of a temporary character, until they obtain a monopoly of the British markets?"

We beg to ask whether we have not some claim on our Government, and whether British and colonial interests are to be thus at the mercy of foreign Exchequers?

We see Germany, Austria, and France competing for possession of our markets, with ever-increasing subsidies to their refiners. These refiners have only to ask their Governments for an increase of bounties to enable them to handicap each other, in order to possess our markets, and we find in every case their Governments grant the prayer of their refiners (this year Germany has given an increase).

Whilst this policy is pursued abroad to the ruin of British refiners, every previous Home Government has met the representations of our employers with the *non possumus* argument that free trade and our Commercial Treaties will not admit of any redress.

We feel that if several of our important industries were simultaneously attacked that it would be felt as a national calamity, worse for this country than a disastrous war. Such a storm of indignation would be raised that we should hear no more of the *non possumus* argument.

We contend (and we have high authority on our side) that the blessing of free trade is being abused in this matter. We believe that if such Commercial Treaties exist as those referred to above they should at once be altered. We ask that this pernicious system of bounties, which is injurious to Great Britain and also to our Colonies, to the consumer not only of this country but also to the consumer where bounties are granted, should cease, and that at home we should have what is dear to every Englishman—fair play.

We ask for no subsidies, nor for any retaliatory duties nor protection duties. We hold that the remedy is that a countervailing duty, equivalent to the bounties given by the foreign country, and not a fraction more, be imposed. This will place us all on an equal footing. This course will test whether the British refiner can hold his own against the foreign refiner in the necessary skill and science in the refining of sugar. We would not seek to keep foreigners out of our market if they can produce refined sugar cheaper than we can ourselves. We would remove the countervailing duty the moment they cease to give the bounty.

Great hopes and expectations are raised in regard to this Conference, and the

feeling [prevails that our Government will now act decisively, and that either these bounties must cease, or a countervailing duty be imposed, or refining in bond be decided on by this Conference.

We trust that British workmen will no longer be thus robbed of their labour, which is all the capital we have. We pray that we may not be compelled to swell the already too numerous pauper class. We entreat our Government, by its Representatives at the approaching Conference, to uphold British interests, and no longer to tolerate the continuance of this pernicious and unjust system.

November 23, 1887.

Inclosure 9 in No. 290.

Mr. J. Finney to Baron H. de Worms.

Sir,

Douglas Villa, Osmaston Road, Derby, November 23, 1887.

IN compliance with the request of a large body of working men at a meeting held by them in this town on the 19th instant, at which I presided, I have the honour to forward to you (as annexed) a copy of a Resolution unanimously passed on that occasion; and as these men form part of a very large number throughout the country whose interests are most prejudicially affected by the operation of foreign bounties, I am further requested, on their behalf, to solicit the favour of your consideration to the same.

I have, &c.

(Signed) JOHN FINNEY.

Inclosure 10 in No. 290.

Resolution passed at a Meeting of Working Men held in Derby, November 19, 1887.

RESOLVED, that this meeting of working men employed in the manufacture of machinery for sugar-making purposes, desires to renew their protest against the continuance of State bounties by foreign nations, whereby facilities are afforded for the introduction into and glutting the markets of this country with foreign-made sugar produced under this system, to the prejudice and against the interests of the industries of this country and her Colonies; and that this meeting, while approving of, and thankful for, the strenuous efforts already made by Her Majesty's Government to secure the abolition of the said foreign State bounties by means of the Conference which has been arranged, desires to urge, should the said Conference fail in that object, that Her Majesty's Government will apply an effective remedy against the said foreign State bounties.

(Signed) JOHN FINNEY,
Chairman of above-mentioned Meeting.

Inclosure 11 in No. 290.

Deputation from the West India Committee to the British Delegates to the Sugar Conference.

THE deputation consisted of Mr. Nevile Lubbock, Chairman of the West India Committee; Mr. Quintin Hogg, Deputy Chairman; Sir George H. Chambers, Mr. W. M. Campbell, Mr. R. M. Harvey, Sir John Hanham, Mr. W. P. B. Shephard, and Mr. James L. Ohlson, Secretary.

Mr. Nevile Lubbock.—Baron de Worms, I think my first duty is to apologize to you for the fact of our not being able to attend to-day at 2 o'clock, as you originally invited us, and to express a hope that the change of time has not been inconvenient to you.

Now, Sir, with regard to this Conference which is about to meet, the first remark I have to make is that we have never yet been definitely informed what the object of the Conference is. We have been invited to come here to-day—I think the expression used was—to express to you our views on the Sugar question; but we should, I must say, like to be definitely informed what the object of the Conference is. We should very much like to have seen the terms of the invitation which was sent to the foreign Governments, because we think that something may possibly turn upon the manner in which the invitation was communicated to those Governments.

But, Sir, I presume that we may go so far as to assume that the object of the Conference probably is to endeavour to bring about a cessation of the bounty system on sugar. If that is so, I would now venture to make a few remarks as to what, in our opinion, would be the most probable means of getting the bounty system put an end to, and what means would, in our opinion, be absolutely useless for the purpose.

Before dealing with the subject of the cessation of the bounties, however, I would remark that the cessation of the bounties alone would be quite useless; that what we require is not only the cessation of the bounties, but some security that the bounty system will not again be resorted to. (Hear, hear.) It is quite obvious, Sir, to you—I am sure that as a man of business you will at once see—that capitalists cannot be induced to embark money in an industry unless they have some security that that industry is not open to be attacked by such a system as this of the bounties. No one can judge of what the price of an article is going to be in the future if that price is to be regulated by bounties and not by the cost of production.

Now, Sir, assuming that it is the desire and the object of Her Majesty's Government to get rid of these bounties, and that the object of the Conference is to bring about that result, there are two ways which have been suggested of bringing it about. Several gentlemen have often said to me, "Your proper course is to endeavour to persuade the foreign Governments that it is excessively foolish on their part to waste their taxpayers' money in giving bonuses to their sugar manufacturers and sugar producers." I cannot help thinking that possibly those gentlemen rather view the matter from an academical than from a practical point of view. I cannot myself think that it would be of the slightest use for anybody on behalf of Her Majesty's Government to endeavour to lecture foreign Governments as to what it is wise or unwise of them to do in regard to the taxation of their own people. I feel quite convinced, Sir, that if the line which Her Majesty's Government proposes to take is merely to invite these foreign Governments to a Conference in order to receive from you, Sir—which I am sure they would do in the most able manner possible—a lecture on the subject of political economy, that the object of this Conference will be perfectly futile, and that it will end as previous Conferences have done hitherto. (Hear, hear.) But, Sir, there is another course which may be pursued, and it is a course which I think has been very distinctly indicated by Lord Salisbury in one or two speeches that he has made to deputations that have waited upon him.

"It is quite obvious to anybody who is thoroughly acquainted with this question that the English Government have the matter in their own hands; of course, when I say the English Government, I mean the English Parliament, because the English Government cannot deal with this question unless they have the support of Parliament behind them." The foreign Governments know perfectly well that, if we choose, we could put an end to this system in a few months. I am inclined, therefore, to think, Sir, that the wise course would be for Her Majesty's Government to point out to foreign Governments how extremely reluctant they would be, how extremely reluctant we should all be, to see any necessity for taking any action which should have even the appearance of hostility against these foreign Governments. But, Sir, there is no mistaking the fact that public opinion is ripening very rapidly on this question. The trades unions themselves have spoken out on the subject. The working classes feel that these bounties are distinctly unfair. They also, I think, have now arrived at the conclusion that these bounties are distinctly injurious to their interests. Therefore, whatever the views and the wishes of Her Majesty's Government may be, it is quite possible that, before long, their hands may be forced in this matter.

Now, Sir, I do not think that it will be necessary to do more than indicate, in the most judicious, gentle manner possible, to these foreign Governments, that in point of fact the power of dealing with this question does rest in the hands of Great Britain, and in the hands of Great Britain alone; I think that if that were done it would probably turn out that those foreign Governments, some of whom no doubt have acted under pressure, would be very glad of the opportunity of getting rid of their bounties. And I think it is quite probable that if Her Majesty's Government would express their willingness to join in a Convention under which every one of the Powers should agree to abolish their bounties, that might lead to a practical solution of the question. But, Sir, if there is to be a Convention, it must be perfectly obvious that no foreign Government will agree to tie their hands and be bound in this matter by a Convention to this country, if by so doing they are to incur the risk of seeing their own industries placed in a worse position upon English markets than they would be if no such Convention existed. I think it must be obvious that if the English Government invites these foreign Governments to make a Convention with her, she is in duty bound to secure to

them that they shall not be in a worse position upon the English markets than they would be if no such Convention were made. (Hear, hear.)

There is one other point to which I should wish to allude, and that is the question of the favoured-nation clause in our Treaties. Perhaps Mr. Kennedy could inform us whether, for instance, we have a Treaty with the favoured-nation clause with Spain.

Mr. Kennedy.—Yes.

Mr. Neville Lubbock.—I have instanced Spain because Spain has got a very good case in this matter. Let me suppose, Sir, that Spain were to come to Her Majesty's Government, and were to say: "You have granted us the most-favoured-nation clause; and the object of the most-favoured-nation clause is that the commodities produced by different foreign countries shall be upon a position of equality upon the English markets." That, Sir, is, I think, beyond all gainsaying the clear and undoubted object of the favoured-nation clause.

Now, what is the case with Spanish sugar? When Spanish sugar comes to London, it is met practically by a duty, that is to say, it is no longer on an equality with German sugar. German sugar comes here with a bounty of 2*l.*; Spanish sugar comes here with no bounty at all. The result is exactly the same as if Her Majesty's Government levied a duty of 2*l.* per ton upon Spanish sugar. I venture to think that if that question were raised by Spain, it would be a very difficult question for Her Majesty's Government to meet. Therefore, I would suggest that it is very desirable, if possible, that some agreement should be come to by all these different foreign Governments as to the construction of the favoured-nation clause. It appears to me perfectly obvious that the favoured-nation clause was never intended, and could never have been intended, to apply to bounty-fed goods; but it may be desirable that that should be clearly laid down as the view of Her Majesty's Government, and I venture to think that it would, in all probability, receive the assent of the different European countries. It is so manifestly just, and it is so obviously the intention of the favoured-nation clause, that I can hardly believe otherwise.

We hope, Sir, that you will be able to give us some assurance that Her Majesty's Government are distinctly in earnest in this matter, and that you have some reason to hope that the result of this Conference may be, as I said before, not only the cessation of the bounties, but some security that we shall not again be subject to their being reimposed. (Hear, hear.)

Mr. Quintin Hogg said the Conference was being regarded with very grave interest in the Colonies. The bounties were destructive of free trade, for the sugar produced in our Colonies was, in consequence, driven out of our markets into America, where the colonists bought in return the stores and other materials which they might otherwise have bought in this country.

Mr. Neville Lubbock.—You were good enough to ask us for a Memorial, but we really have not had time to prepare one as yet, but we hope to be able to do so very shortly, and send it in. There has been a Memorial sent in from the Anti-Bounty Association, and the West India Committee do form practically a portion of that Association, and the views expressed by that Association are very much on the same lines as those that will be expressed by the West India Committee.

Baron Henry de Worms, in reply, said: I have listened with the greatest possible attention to the remarks that you have made. I think, perhaps, it would be better for me to answer, in the first instance, the question that you put to me as to the nature of the proceedings of this Conference. You said that you assumed that the Conference was to meet to endeavour to put an end to the bounty system. That clearly expresses the object we hope the Conference will attain. (Hear, hear.) With that object the Conference was convened. Of course, it would be impossible for me to predict that it will be successful; but, at all events, that is the object for which the Conference meets. You further asked whether the Conference, supposing the result to be successful, would bear in mind that the bounties should cease entirely, and should not be liable to recurrence. As far as we know, should the Conference prove successful in abolishing the bounty system, it will naturally be the endeavour of the Delegates of the Government to make that a permanent and not a temporary cessation. (Hear, hear.) Then, again, if I understand correctly, you said that there had been no successful Conferences on this question. I would like to point out that there has been no Conference on the question as now put, the Conferences of 1804 and others being only on the refining question, and the correlation of raw and refined sugar. This present Conference raises the whole question of the sugar bounties. As far as the West Indies are concerned, the raw sugar bounties are of the chief importance. Therefore, I think that, as regards your position in representing the West Indian Colonies, you may assume that this Conference meets

under particularly favourable circumstances. You have pointed out several ways in which you think the question should be practically solved. You would hardly expect me, in my position as President of the Conference, to go into all those questions in detail, or to bind the Government at the present moment to any particular line of policy. All I would point out is this—that the Government took the initiative in calling this Conference together, and therefore you may reasonably assume that their object was, what it really is, to solve, if possible, this very important question, which affects not only our home but our colonial industry. That being the case, I need scarcely assure you, as far as my colleagues and myself are concerned, we shall do everything in our power to bring this question to a successful conclusion; and you may take some consolation from the fact that the Powers who up to the present time have never before attended a Conference on this question are attending it now for the first time, and that you have a larger number of Powers attending this Conference than on any previous occasion. As reasonable men, you may assume that their intention is not to come to England for the mere purpose, perhaps, of enjoying the November fogs, but of trying, if possible, to agree with Her Majesty's Government upon some joint plan of action, which, while not materially affecting or injuring their own home industry, shall not press unfairly upon the sugar industry in this country or in our West Indian dominions. As far as the Government are concerned, I think you will admit that they are thoroughly alive to the importance of the question as regards the West Indies, inasmuch as they have now joined to the Delegates of the Conference a member of the Government representing the Colonial Office, so that the colonial interests shall be equally represented with the other interests of the country at large. With regard to the general system to be pursued, or the vexed question as to how far the favoured-nation clause may interfere with their arrangements, I do not think you would wish me to go into those very abstruse questions now. They may possibly arise at the Conference, and then I think you may rely that, with the very excellent co-Delegates I have representing the Foreign Office (in the person of Mr. Kennedy), the Customs (in the person of Mr. Walpole), and the Colonial Office (in the person of Lord Onslow), your interests will be in perfectly safe hands, and that Her Majesty's Government go to the Conference with the avowed wish and intention, if possible, of solving once and for ever the bounty question.

Mr. Nevile Lubbock.—I think it only remains for me to thank you very sincerely for the remarks which you have made, which certainly give us some very good hopes. We are quite aware, Sir, that in your position we could not expect you to tell us all that you propose to do in the Conference; but we thought at the same time that you would excuse us if we spoke out more frankly to you than your position would enable you to do to us. We beg again to thank you for your kind reception.

The deputation then withdrew.

Memorandum drawn up by the British Sugar Refiners' Committee, at the request of the British Delegates to the International Conference on Sugar Bounties held in London in November, 1887.

We do not consider it necessary now, as it has been on former occasions, to furnish detailed proofs of the existence and approximate amount of the bounties, because ample evidence has in recent years been furnished in the foreign countries themselves on these points. In France, for instance, a new Law was passed in 1884, avowedly for the purpose of giving a bounty which might enable the French manufacturers to compete with their more favoured rivals in Germany and Austria. The French official Reports and speeches at that time, and in the subsequent Parliamentary discussions, not only declare the fact of there being a large bounty under the new Law of 1884, but even furnish us with its amount. The recent debates in the German Reichstag have, in the same way, thrown a flood of light on the amount of bounty given in that country. As to Austria, all difficulty has been removed in the new Bill just brought in by the Government, which openly gives a definite bounty on every ton of sugar exported. Russia, in 1885, adopted the same straightforward system. The Government of the United States have at last admitted that their drawback on the export of refined sugar gives a bounty, and have reduced it, with the proviso that it may be necessary to make a still further reduction before entirely abolishing the bounty.

Unfortunately, this now fully admitted fact that the bounties exist is accompanied by another fact, that they are far more formidable and widespread than when the last Conference met in 1877. At that time the sugar refiners seized every opportunity of pointing out that if the system of giving bounties were not speedily stopped it would

grow to very alarming dimensions. This forecast has been fully verified. At that time loaf sugar was the kind most seriously affected. But now, as we predicted, the system has spread to crystallized and granulated sugars. It has also spread in extent. France, Germany, and Austria now export enormous quantities of that kind of sugar, all of which receives a bounty. The United States did the same till quite recently, and Russia, last year and the year before, flooded foreign markets with her surplus stock by means of a bounty which, while it lasted, was one of the largest we have ever experienced.

On the other hand, there is a favourable feature among the changes which have taken place since the Conference of 1877. All the countries, with the exception of France, are now so weary of the constant drain on their revenue that they are very much disposed to abandon the system, if a general agreement can be come to, coupled with some security for the future against the pernicious competition of sugar sold below cost price by means of State subsidies. It is true that France also is feeling the loss to her Exchequer, and has already taken steps to limit it; but there is a great outcry among her manufacturers, who declare, with much candour, that they have been outstripped in the race by the Germans, with whom they admit they cannot compete even on equal terms. With cane sugar also they loudly proclaim that they cannot compete without a bounty. These admissions are, of course, most valuable to those who oppose bounties.

It would seem, however, that the demands of the manufacturers can be met without retaining the bounty, and without any continuance of the present heavy drain on the French Exchequer. The manufacturers declare that they cannot live without protection. If the French Government desires to satisfy them, it can be easily done without any loss to the revenue, with no further loss to the home taxpayer than what he now incurs, and with ample profit to the producer. At present the French manufacturer has no protection in his own market. It is true that there is a heavy surtax on sugar imported from European countries, but there is none on sugar imported from foreign countries outside Europe. If the surtax were extended so as to make the wall complete, the French manufacturer would always command an additional price equivalent to that surtax, so long as he refrained from producing more than was required for home consumption, and it is manifest that a moderate trade at a high price would be more profitable to him than an exaggerated trade at an artificially low price. We throw out this suggestion as a way out of the French difficulty, not because we advocate protection, but because the French Government are evidently determined to protect their sugar industry, and this is the only way in which that can be accomplished, together with a restoration of the revenue to its proper amount, and less injury to the taxpayer than under the present system.

If France were to agree to adopt this method of allaying the fears of her manufacturers she might safely join with the other countries in abolishing all drawbacks on the exportation of sugar by the universal adoption of the system of manufacturing and refining in bond. That this is practicable has been fully proved by France herself, where, up to 1884, all the beet-root factories were "in bond," that is, worked under excise supervision, no duty being paid on the sugar until it left the factory. The French manufacturers gave evidence before the Conseil Supérieur in 1872, and again before the Select Committee of the House of Commons in 1879, to the effect that the system worked admirably, being no hindrance to the manufacturer, and a perfect protection to the revenue. Germany is now about to adopt the system, while retaining a remnant of the old régime; and Austria, if the Bill now before her Legislative Assembly passes into law, will establish a pure system of working in bond, and therefore paying no drawback on exportation; but until other countries abolish bounties in the same way, she proposes to pay a direct bounty, premium, or subsidy to all exporters of sugar. The position of matters is therefore ripe for the general adoption of the system which, by the abolition of drawbacks, gets rid of all the bounties which arise from them.

The only fear is that the influence of the sugar manufacturers in France may be too strong to admit of the French Government consenting to an immediate and complete cessation of bounties. In that case the other countries would undoubtedly ask for some security that they should not, if they abolished their bounties, be met by French bounty-fed competition on British markets, and such security could only be given by the British Government undertaking to remove the bounty and restore equality of competition by means of a countervailing duty. We have already, in our letter to Lord Salisbury of the 18th August, stated the reasons why such a duty, which, be it remembered, is a duty on bounties, not on sugar, would be, to use the words of the "Spectator," not only consistent with free trade, but positively conceived in the interests of free trade. That it would not contravene the most-favoured-nation Article in our Commercial Treaties

has been shown with much force in a paper drawn up by Mr. W. P. B. Shephard, barrister-at-law, which will be communicated to you by the West India Committee. In fact, it is the bounties which nullify the intention of that clause, and, therefore, the countervailing of them would restore the equality which the bounties have destroyed, and which the clause demands.

We have stated what we believe to be the present position of the question, and we sincerely hope that your efforts to bring about an agreement may be crowned with success.

(For the Committee),
(Signed)

21, Mincing Lane, November 23, 1887.

GEORGE MARTINEAU, *Hon. Sec.*

Inclosure 12 in No. 290.

Extract from the "Times" of November 24, 1887.

THE SUGAR BOUNTIES.—Yesterday afternoon three deputations, from the Master Sugar Refiners, the London Workmen's Anti-Sugar Bounty Association, and the West India Committee, were received at the Foreign Office by Baron Henry de Worms, who was accompanied by Mr. Kennedy, C.B., Foreign Office; Mr. Walpole, of the Customs; the Delegates of the International Conference which opens to-day; Mr. Bateman and Mr. Farnall, the Secretaries of the Conference, and Mr. Lawrance.

THE MASTER SUGAR REFINERS.—This deputation consisted of Mr. James Duncan, London; Mr. Abram Lyle, jun., London and Greenock; Mr. George Martineau, London; Mr. Alderman Cowan, Mr. F. B. Dakin, and Mr. C. J. Crossfield, Liverpool.

Mr. Martineau stated the views of the deputation, which he submitted in the form of a Memorandum drawn up by the British Sugar Refiners' Committee at the request of the British Delegates to the Conference. The Committee stated that they did not consider it necessary now, as it had been on former occasions, to furnish detailed proofs of the existence and approximate amount of sugar bounties, because ample evidence had in recent years been furnished in the foreign countries themselves on these points. In France, for instance, a new Law was passed in 1884, avowedly for the purpose of giving a bounty which might enable the French manufacturers to compete with their more favoured rivals in Germany and Austria. The recent debates in the German Reichstag had in the same way thrown a flood of light on the amount of the bounties given in that country. As to Austria, all doubt had been removed in the new Bill just brought in by the Government, which openly gave a definite bounty on every ton of sugar imported. Russia in 1885 adopted the same straightforward system. The Government of the United States had at last admitted that their drawback on the export of refined sugar gave a bounty, and had reduced it, with the proviso that it might be necessary to make a still further reduction before entirely abolishing the bounty. The bounties were now more formidable and widespread than when the last Conference met in 1877. At that time loaf sugar was the kind most seriously affected, but now, as they predicted, the system had spread to crystallized and granulated sugars. It had also spread in extent. France, Germany, and Austria now exported enormous quantities of that kind of sugar, all of which received a bounty. The United States did the same till quite recently, and Russia last year and the year before flooded foreign markets with her surplus stock by means of a bounty which, while it lasted, was one of the largest which British refiners had ever experienced. On the other hand, there was a favourable feature among the changes which had taken place since the Conference of 1877. All the countries, with the exception of France, were now so weary of the constant drain on their revenue that they were very much disposed to abandon the system if a general agreement could be come to, coupled with some security for the future against the pernicious competition of sugar sold below cost price by means of State subsidies. France was also feeling the heavy loss to her Exchequer, and had already taken steps to limit it, but there was a great outcry among her manufacturers, who declared with much candour that they had been outstripped in the race by the Germans, with whom they admitted they could not compete even on equal terms. With cane sugar also they loudly proclaimed that they could not compete without a bounty. These admissions were, of course, most valuable to those who opposed bounties. The Committee urged that a countervailing duty would be

conceived in the interests of free trade, and would restore the equality which the bounties had destroyed. They sincerely hoped that the efforts of the British Delegates at the Conference to bring about an agreement might be crowned with success.

Alderman Cowan said that nothing short of the abolition of drawbacks would bring about the abolition of the bounties. Foreign countries actually denied that their system gave any bounty upon export. Before bounties were given Continental Europe supplied 6 per cent. of the total percentage of imports, and now under bounties she supplied nearly 60 per cent. The British Colonies before bounties supplied 63 per cent. of the total consumption; now that proportion had diminished to 14 per cent.

Mr. Crossfield, Mr. Duncan, Mr. Lyle, jun., and Mr. Dakin also spoke.

Baron H. de Worms, in reply, said: On behalf of my co-Delegates and myself, I need scarcely assure you that Her Majesty's Government are fully alive to the importance of the question which has been so clearly brought before us to-day. In fact, I need only point to the circumstance that Her Majesty's Government have convened this Conference to show how thoroughly alive they are, and how desirous they are to find practical measures to deal with this difficult question. I have listened with very great attention to the very able report of Mr. Martineau on your behalf, and I must say that it has most fairly expressed and brought out, as far as I can judge, all the salient points of this knotty and vexed question. At the same time, I need hardly say that you can scarcely expect, on the eve of a Conference which has to discuss, I hope in a practical manner, all the points you have raised, that I, having been intrusted by Lord Salisbury with the important and responsible position of President of that Conference, could go into any details or suggest to you any real practical form which that Conference is likely to adopt. I can only say this—that it will be, as it naturally ought to be, the duty of those who are intrusted, on behalf of Her Majesty's Government, with this delicate mission, thoroughly to bear in mind that they have to safeguard the interests of British trade. And I think, on the other hand, we may look to what I may consider a very valuable feature—the fact that whereas up to the present time very few Powers have taken the practical step of meeting us in Conference, at the present time we have Austria-Hungary, Belgium, Brazil, Denmark, France, Germany, Holland, Italy, Russia, Spain, and Sweden all sending Delegates to London for the purpose of discussing and, if possible, solving the point which we all have in view. I cannot say, of course, what line the Delegates of those countries will take, any more than I am able now to foreshadow what may be the course which Her Majesty's Government may think fit to take; but this I can assure you and repeat to you, that every question will be fairly and fully threshed out, and as far as it lies in the power of Her Majesty's Government to do away with the system, which is unquestionably prejudicial not only to our home industry but to our Colonies, that course will be adopted, and we trust adopted successfully.

Mr. Martineau, in thanking Baron H. de Worms, suggested that if any technical difficulty should arise in the Conference it should be adjourned till the next sitting, and in the meantime the deputation would afford the British Representatives every assistance in their power.

LONDON WORKMEN'S ANTI-SUGAR BOUNTY ASSOCIATION.—This deputation consisted of workmen engaged in the sugar refineries of London.

Mr. Girdwood (of H. Tate and Sons) submitted the views of the deputation on the foreign bounty system. He said the bounties were most unjust, ruinous alike to British industry and to our Colonies, and to the consumers of those countries that gave the bounties. The deputation represented a remnant of what was once a flourishing industry in London, only five factories now remaining. The workmen were sent adrift, and from having been used to work in intense heat, were nearly incapable of outdoor work. Germany, Austria, and France were competing for the possession of our markets with ever-increasing subsidies to their refiners. While this policy was pursued abroad, to the ruin of British refiners, every previous Home Government had met them with the argument that free trade and our Commercial Treaties would not admit of any redress. They felt that if several of our important industries were simultaneously attacked it would prove a national calamity worse for this country than a disastrous war. They asked that these bounties should be abolished and that Englishmen should have fair play. They asked that countervailing duties be imposed so as to put this country on an equal footing with foreign nations. They entreated the Government, at the approaching Conference, to uphold British interests, and no longer to tolerate the continuance of the bounty system.

Baron Henry de Worms, in reply, said: I am sure that in the name of my colleagues, the other Delegates to the Conference, as well as my own, I can assure you that we have been very much impressed by the eloquence of the facts which you have laid before us. You have told us how a very prosperous industry has, in your interpretation, by means of foreign bounties been reduced to a low and a very disastrous state; and you have pictured in very true words the misery attendant upon the decline of that industry. I think that I cannot give you better proof than the assembling of this Conference that the Government are perfectly alive to the facts which you have laid before me and before my co-Delegates. The initiative of calling together this Conference was that of Her Majesty's Government, because they hoped, and they still hope, to find some means by which this bounty system may be abolished, and the British trade may in consequence revive. (Hear, hear.) Of course I need not say that it is not in my power, nor would you expect me, as the President of this Conference, to enter into the details of the policy which it may be necessary for Her Majesty's Government to adopt. I think we may rest assured, and find some consolation in the fact, that foreign countries themselves are also alive to the inconveniences growing out of the bounty system. If that were not so we should not have, as we now have, so large a meeting of the various Powers who give bounties coming together, as they will do tomorrow in England, for the purpose—the practical purpose, I trust—of endeavouring amicably to solve this international difficulty. I merely point out to you, as it will afford to you the same consolation as it does to me, that all these Powers are imbued with the wish, if possible, to solve this question. How that question is to be solved it is not for me to suggest. All that I can say is, as far as I am concerned, and I am sure I can speak in the name of my colleagues, who are gentlemen of the very greatest experience—Mr. Kennedy, of the Foreign Office, who knows as much as anybody about the question; Mr. Walpole, who is very well known to you from the practical interest and knowledge that he has of the question; and another gentleman from the Colonial Office, who will add his experience to theirs—that I trust our collective efforts may be productive of the result which you wish, and which I believe may possibly be attained.

In reply to Mr. Walpole, the deputation stated that within the last twelve months about 2,000 men had been thrown out of employment, and they were unable to get other work owing to the sugar-refining having incapacitated them for outdoor employment.

The deputation then withdrew.

Inclosure 13 in No. 290.

Mr. R. M. Liddell to the British Delegates.

Sir,

5, Lowood Grove, Birkenhead, November 24, 1887.

I HAVE been desired to transmit to you copy of Resolution passed at a meeting of workmen interested in the maintenance of our sugar industry held on the 23rd instant at Liverpool.

I have, &c.

(Signed) ROBERT M. LIDDELL,
Chairman of Meeting.

Inclosure 14 in No. 290.

LIVERPOOL AND THE CONFERENCE.

Resolution.

IN view of the International Conference on Sugar Bounties in London, a meeting of representative workmen connected with the sugar, shipping, and dock industries of Liverpool, was held in the United Trades' Hall, Duke Street, last night.

Mr. Robert Liddell (Fawcett, Preston, and Co.) was voted in the chair, and in opening the proceedings referred to the great interest the working-men of Liverpool had in earnestly striving to put an end to all foreign bounties. He was pleased to say that a Conference of Representatives of the bounty-giving countries was to be held in London, and that Baron Henry de Worms, M.P., was to be Chairman of the Conference. Germany, Russia, Holland, France, Belgium, Spain, Italy, America, Austria, Great Britain, and other sugar-producing countries would be fully represented, and he trusted

that the Delegates would come to a common understanding before they separated for the entire abolition of all export bounties.

The following Resolution was then proposed by Mr. Griffiths (Engineers), seconded by Mr. John Roberts (Coopers), and carried unanimously, and copies were ordered to be forwarded to Lord Salisbury, Baron H. de Worms, and Mr. Walpole:—"That this meeting, representing the recognized delegates of the various trade and labour organizations of this city, congratulate Baron H. de Worms, M.P., for one of the divisions of the city, on his appointment to the position of Chairman of the Conference to be held to consider the question of foreign bounties. They feel quite sure that, as representing such a constituency, he would not have accepted the position were he unable to see his way to at once alleviate the distress, and remedy the injustice which is so particularly, by the operation of foreign bounties, felt in this commercial centre. This meeting promises to do everything necessary to strengthen his hands now and in future."

The Chairman then announced that similar meetings would be held in Nottingham, Derby, Birmingham, and East London during the week.

The proceedings were then brought to a close.

Inclosure 15 in No. 290.

The Amalgamated Society of Watermen and Lightermen of the River Thames to Mr. Walpole.

Dear Sir,

Trafalgar Hotel, Leman Street, November 24, 1887.

I BEG to inclose you Resolution passed at meeting held this evening on above question.

I am, &c.
(Signed) F. WYINGTON.

Inclosure 16 in No. 290.

Resolution.

THAT this meeting of inhabitants of North Bow, E., is of opinion that the foreign bounty system ought, in the interests of British labour and commerce, to be abolished. And this meeting furthermore expresses an earnest hope that the International Conference on the Sugar Bounty question, which opened to-day in London, will be successful in devising such measures as will put an end to all State subsidies, and thus free an important home and colonial industry by placing it upon its natural basis.

That copies of the foregoing Resolution be signed by the Chairman and forwarded to the Prime Minister, Baron Henry de Worms, and Mr. Walpole.

(On behalf of the Meeting),

(Signed) W. EVANS HURNDALL, M.A., *Chairman.*

Inclosure 17 in No. 290.

Water Consumers' Association to Baron H. de Worms.

Sir,

17A, Great George Street, Westminster, November 24, 1887.

REPRESENTATIONS made in the interest of British sugar industries I would not oppose.

But in the interest of the masses to whom sugar since 1874 has become an absolute necessary part of the meal of the poor (adult and infant alike), I venture to hope that the dangerous policy of interfering with the foreign bounty will not be carried out.

The remedy rests with ourselves, and can be immediately applied, and thereby the British sugar industries can be placed on an equitable footing of competition with foreign bounty-paid sugar.

The exclusion of bounty-paid sugar by means of countervailing duties would to-morrow raise the price from 2d. to 3d., 4d., and even 5d. per lb.

This would be now worse than the tax on tea paid by the masses.

I have, &c.
(Signed) C. E. PARKER-RHODES.

Inclosure 18 in No. 290.

West India Committee to Baron H. de Worms.

Sir,

51, Lime Street, London, November 24, 1887.

IN reference to the point which was raised in discussion yesterday regarding the export duties levied in some of the West India Colonies, we beg to state that we are quite satisfied that there would be no objection to the removal of any export duty which may be in existence in those Colonies, should such a measure be desired by the Conference, and submitted in due form to the Colonies by the Secretary of State for that Department. As a matter of fact, these export duties in all the important Colonies are simply the means of raising a certain amount of money towards the expenditure incurred in introducing coolie labourers, without whom there would not be a sufficient industrial population to maintain the cultivation. If the export duties did not exist, the planters would pay in some other way an equal amount for labour to that which they now pay, partly directly and partly in the form of an export tax. The said export tax is therefore a contribution to maintain the system of immigration by which the producers are enabled to obtain the labour they require, and it is not, in the ordinary sense of the word, a duty at all.

I have, &c.

(Signed) N. LUBBOCK, *Chairman.*

Inclosure 19 in No. 290.

West India Committee to Baron H. de Worms.

Sir,

West India Committee, 51, Lime Street, London,
November 25, 1887.

AT an interview with which you favoured a deputation from this Committee on the 23rd instant it was understood that the statement which was then made by our Chairman should be supplemented by a written communication. I have now, Sir, to ask your attention to the following considerations.

We understand that the Conference is intended to be the means of arriving at a common understanding to form the basis of a Convention binding the different Governments to bring their respective systems of bounties to an end at a given date. We believe that this end could be most effectively attained by the abolition of all drawbacks, which would be brought about by the adoption of manufacturing and refining in bond, without, however, excluding the consideration of any equivalent proposals.

In regard to any Contracting Powers which neglected their engagements to abolish bounties, or afterwards resumed such bounties, and also any non-Contracting Powers which might continue their system of bounties, it is obvious that other foreign Powers agreeing to the said abolition, and faithfully adhering to their engagements, would reasonably expect that Her Majesty's Government should consent to those considerations or measures which might be necessary to prevent the produce of such Contracting Powers from being placed in a more disadvantageous position in the English market than produce coming from countries where bounties were continued to be given.

We, however, hope that the Conference may lead to the abolition of bounties in all the countries now granting them, and that it may not be necessary to adopt actual measures of defence against any bounty-giving Powers, but it would be eminently desirable, indeed essential, that the non-bounty-giving countries should be secured from any disadvantage that might possibly arise to their produce in English markets by reason of their having, in pursuance of a Convention with this country, abolished their bounties.

An important point that will doubtless be considered by the Conference will be the bearing of bounties upon most-favoured-nation engagements. We submit that the grant of export bounties is a direct violation of the spirit and intention of the most-favoured-nation Article, and any measures of redress rendered necessary to counteract such violation must be deemed within the liberty of action of any Treaty Power, notwithstanding the fact that such Power is a party to the most-favoured-nation Article.

If, however, without any waiver or abandonment on the part of Her Majesty's

Government of this principle of interpretation as applicable to existing Treaties, a common understanding could be arrived at by the Conference, and embodied in a separate Convention declaratory of the meaning of the most-favoured-nation Article, we think a very important security against bounties would have been gained for the benefit not only of our sugar industry, but of our industries generally. We say a separate Convention because of its general application, without desiring to supersede the agreement to a specific Convention for the abolition of all sugar bounties.

The Select Committee of the House of Commons on Sugar Industries in 1880 reported "that, should the Commercial Treaties to which this country is a party prevent Her Majesty's Government from taking part in an International Convention which provides for common action of defence against countries giving bounties, Her Majesty's Government should, on the renewal of those Treaties, and also in the negotiation of new ones, take into their consideration the propriety of stipulating for such liberty of action as will enable them in the last resort to impose a countervailing duty."

During the negotiations in 1881 for the renewal of a Treaty of Commerce with France, the French Committee of Home and Colonial Sugar Manufacturers raised this question of the bearing of the most-favoured Article, and the London Chamber of Commerce also insisted that "any means which might be adopted to restore equality should not be deemed an infraction of a favoured-nation clause." We beg to inclose a reprint of the Memorial of the French Committee, and extract of letter of London Chamber of Commerce in support of our statement herein.

The West India Committee had, however, been in 1880 in official communication with the British Commissioners engaged in the negotiations for a renewal of the Commercial Treaty with France, and we then submitted a carefully-worded Memorandum on this point, a reprint of which we also inclose.

In conclusion, we venture most respectfully to urge upon the attention of Her Majesty's Government the importance of securing an agreement from the Powers now in Conference to the effect that the Signatory Powers, parties to the proposed Convention, agree that Powers having most-favoured-nation Articles in their Treaties are not and shall not be entitled to claim the treatment of the most favoured nation in respect of goods exported under a system of drawbacks, or of certificates of exportation or otherwise, which shall permit either directly or indirectly bounties to be derived as a consequence of the act of exportation. We feel that this would allow of that liberty of action recommended by the Select Committee.

I have, &c.

(Signed) JAMES L. OHLSON, *Secretary*.

Inclosure 20 in No. 290.

The Commercial Treaty and the French Sugar Growers.

[Reprinted from the "Sugar Cane," January 1882.]

THE Central Committee of French Sugar Manufacturers have addressed the following letter to the Ministers of Agriculture and Commerce :—

(Translation.)

"M. le Ministre,

"At a time when negotiations are opened for the establishment of Treaties of Commerce, the delegates of the indigenous and colonial sugar manufacturers have thought it necessary to call your attention to the grievous position in which their industry is placed by the bounties which certain neighbouring countries accord on the exportation of their raw and refined sugars.

"Although these bounties are generally obtained only by indirect means, we have been able exactly to establish their importance, and to show that they have had the effect of tripling (in eight years) the German and Austrian production, and of increasing the exportation from the former country four-fold, and from the latter ten-fold.

"They have had the further effect of enabling sugars thus favoured to drive our products from all the markets of the Levant, to displace them gradually from the position they occupied on the English market, and, finally, to invade even our national market.

"Reduced to the impossibility of sustaining an unequal competition, our indigenous production is diminishing, and this hindrance to the sugar industry is, without

doubt, one of the principal causes of the crisis which weighs upon agriculture in the region of the north of France. Our exportation of sugar, which in 1873 was 270,000 tons (raw, and refined reduced to raw), has not ceased since then to follow a rapidly decreasing course.

"We had for a long time hoped that England, taking care of the interests of her colonial sugar manufacturers, and desirous to give a sanction to the principles of liberty and equality in trade which she has made the basis of her commercial policy, would have consented to unite her efforts with those of France to bring about, by the application of countervailing duties, the abandonment of this system of bounties which falsifies the conditions of production and trade.

"The English Government being apparently resolved not to enter upon such a course, there remains only one means of preventing the absolute ruin of the French sugar industry, namely, to reserve to it at least the home market, by excluding its bounty-fed competitors by means of surtaxes which should annul their bounty.

"We have hitherto declined, Sir, to ask for ourselves favours analogous to those which enable our neighbours to crush us; but we should be wanting in a sacred duty if, as delegates of the industry, we failed to raise our voice at this time in protest against so intolerable a state of things; and you will permit us to say that the Government would be wanting in its own duty if it did not seize the opportunity offered to it by the negotiation of Treaties of Commerce to try and ameliorate a situation of such crying injustice.

"The desire to secure and develop the exportation of French wine to England is one of the principal motives which led the Government to conclude a Commercial Treaty with that country. We do not criticize this intention; but permit us, Sir, to remind you that the interests of the sugar industry have no less importance than those of the wine trade in international commerce.

"In fact, although, for the above-mentioned reasons, our exportation of sugar to England diminishes from year to year, the value of the sugar exported from France to that country was, even in 1880, about 59,000,000 fr., while that of the wine exported was only 55,000,000 fr.

"Supported by these brief observations, we consider ourselves authorized, Sir, to ask, in the name of the interests of the indigenous and colonial sugar industries, that you will be good enough—

"1. To keep sugar outside the Treaties of Commerce so long as it is impossible to obtain the abolition of the bounties on exportation which the Austrian, German, Dutch, and Belgian sugars at present enjoy.

"2. To take care that the introduction, in the Treaties of Commerce, of the 'most-favoured-nation' clause does not permit the extension of its application to bounty-fed sugars.

"3. Finally, in all cases where no agreement is come to about sugar, we pray that the necessary legislative measures may be proposed for defending the French sugar industry by striking the bounty-fed sugars, on their entry into France, with truly countervailing duties, which shall be in exact proportion, moreover, with those charged on imported foreign refined sugars.

"The members of the Committee put themselves at your disposal, Sir, if you should consider it desirable to give them an audience.

"We are, &c.

"For the members of the Central Committee of the Home and Colonial Sugar Manufacturers,
(Signed)

"F. GEORGES, *President*.

"J.-B. MARIAGE, *Secretary*."

The London Chamber of Commerce on Export Bounties.

In a letter recently addressed by the new Chamber of Commerce for London to the Royal Commissioners for negotiating the French Treaty, we are glad to see that they speak out very clearly on the subject of export bounties, entirely concurring in the views expressed by the sugar trade and the Select Committee on Sugar Industries.

The passages to which we especially desire to direct attention run as follows:—
"And the imposition of surtaxes, or the allowance of bounties, which would in any respect neutralize the object of the Treaty, should, in the opinion of the Council, render it voidable by the party to whose prejudice such surtaxes or bounties shall operate; and any means which may be adopted to restore equality shall not be deemed an infraction of a 'favoured-nation' clause."

Those who have so long agitated this question, in the face of the most bitter and unscrupulous opposition from the press and certain Government officials, must be gratified at receiving such powerful and spontaneous support. This authoritative confirmation of their views will greatly stimulate them to renewed exertions.

Inclosure 21 in No. 290.

French Commercial Treaty Negotiations, 1880.

Memorandum by the West India Committee on the Wording of the Most-favoured-nation Article.

IN their Memorandum on this subject of the 24th October, 1880, the West India Committee urged that,—“The favoured-nation clause should be made operative in its full integrity of spirit and intention, and its terms should therefore preclude the grant of bounties on exports. The simplest way, and one that committed this country to no positive action, would be to let the favoured-nation clause run in the ordinary way, but be followed by a reservation in the following words:—‘But the subjects of either Treaty Power shall not be entitled to claim the treatment of the most favoured nation in respect of goods exported under a system of drawbacks, or of certificates on exportation, or otherwise, which shall permit either directly or indirectly bounties to be derived as a consequence of the act of exportation.’

“If the favoured-nation clause, as now drawn, prevented such action against goods exported under bounty as would restore that equality of fiscal conditions which was the essential object of equality of treatment, British produce would be liable to be struck by any surtax which France might, as she most likely would, impose against sugar or other goods from States granting export bounties.

“The British Commissioners ought to insist that favoured-nation treatment should not be claimed in respect of goods receiving bounties on export, and, this being acknowledged, that British subjects who export without bounty should not, under the favoured-nation clause, be liable to any surtax which France might impose against goods exported from States granting export bounties.”

Inclosure 22 in No. 290.

Mr. G. Shute to Mr. F. G. Walpole.

*Thames Sugar Refinery, Silvertown, Essex,
November 26, 1887.*

Honoured Sir,

REFERRING to my other letter which is under this cover,* I humbly ask for an expression of your views to lay before my fellow-delegates, and would also feel much obliged if you would inform us whether we may publish this letter if my fellow-delegates desire to do so.

Yours, &c.
(Signed) GEORGE SHUTE.

Inclosure 23 in No. 290.

Mr. G. Shute to Mr. F. G. Walpole.

*Thames Sugar Refinery, Silvertown, Essex,
November 26, 1887.*

Honoured Sir,

AS one of the fifteen delegates who all feel very grateful for the interview kindly granted us on the 23rd instant by the British Commissioners of the Sugar Conference just opened, I humbly beg leave to address this letter to you, as we could all understand by your interrogations that you are well acquainted with the subject.

We have seen with regret that some of the newspapers supporting the Government seem to advocate opinions contrary to our interest and contentions. We think they confuse our prayer for a countervailing duty—(i.e., if nothing else will kill the bounties)—with the rising agitation for retaliatory duties, to which we are unani-

* Inclosure 23 in 290.

mously opposed. We are only asking for fair play, and not for a war of Tariffs. In fact, our cause appears to be suffering from the adoption of Mr. Howard Vincent's Resolution at Oxford, and we are in danger of being catalogued with those who desire to put back the hands of the clock.

The "Times" of Friday, the 25th instant, appears to be inspired by the jam interest and that of other trades using sugar. The "Times" argues on the text that "exchange is no robbery," and because these fancy trades employ more hands than the refiners can do in their present distress caused by the bounties, no attention need be paid to our claim for justice.

At the interview which we were kindly granted we humbly represented the hardship suffered by the thousands of skilled workmen thrown out of work by the operation of the bounties, of which we are in daily dread ourselves. We pointed out that the years we have spent our working hours in, under the influence of unnatural heat, have unfitted us for most other employments. We might also add that skilled mechanics are never taken into new engagements, *as skilled mechanics*, exceeding a certain age, say about 40 years. They must enter new services many steps down the ladder of position and scale of wages, and in most cases as common labourers.

Our capital that has been acquired by our industry, illustrated, for example, by the value of the compensation that a jury would reckon upon our wages if we were hurt or killed by a railway accident, is thus snatched away from us. It appears to us that new Pharaohs have arisen who know not Joseph, and that the Professors of the Cobden Club are gentlemen very different to their great original. Richard Cobden did not work on hard and fast lines; he was not an academical purist, unable to take surrounding circumstances into account, or he never would have so skilfully conceived and worked out the details of the great French Commercial Treaty of 1861, which some of his present disciples would now stand aghast at.

The argument that because other trades using sugar employ more hands than our masters do in their present predicament—(*i.e.*, robbed of the home market by the bounties)—these other trades must be maintained in the enjoyment of the unjust indirect advantage of these bounties, appears to us to be an absurd and transparent fallacy.

The advocates of these trades must not be suffered to impose upon the public the belief that the present cheapness of sugar is due to the bounties. The cheapness is caused by the immense production of sugar, and not by the bribe of $\frac{1}{4}d.$ per lb. given by the bounties. This $\frac{1}{4}d.$ per lb. makes all the difference in such a very close trade as sugar-refining is when the retail price of the finished article is under $2d.$ per lb. It kills the industry, and throws us into the workhouse, and ruins our employers, destroying a vast capital invested to work the trade with wonderfully economical and even cheese-paring, labour-saving, but originally costly, contrivances.

It is such a cruel game of grab for the prosperous manufacturers of jam and sweetmeats, of biscuits and brewers' substitutes, with their well-known large profits, to raise the Shibboleth of free trade against our prayer for justice.

The most deservedly popular Minister of modern times owed his power to his declaration of policy that he would protect the humblest individual fellow-subject in his rights, and we hope the present Government are returning to Palmerston's almost forgotten truly English principles, and lend a favourable ear to our supplications.

The jam trade has a natural and proper protection against the foreigner in the fact that nowhere but in Great Britain is sugar entirely duty free, and that foreign Governments do not give drawbacks upon the exportation of sugar mixed with fruit.

We humbly beg you to kindly submit to the British members of the Conference these responses we are making to efforts in favour of the maintenance of what we feel to be a cruel injustice.

I have, &c.
(Signed) GEORGE SHUTE.

Inclosure 24 in No. 290.

Mr. F. G. Walpole to Mr. G. Shute.

Sir,

Foreign Office, November 28, 1887.

I BEG to acknowledge receipt of your letter dated the 26th instant on the subject of the sugar bounties, in which you ask for an expression of my views thereon, and whether you may publish your letter before referred to. In reply, I beg to state

that, the Conference being now sitting, it would be irregular for any one of the delegates to express his views on the subject under discussion.

As regards the publication of the letter, I see no objection to that course.

I am, &c.

(Signed) F. G. WALPOLE.

Inclosure 25 in No. 290.

The Portsmouth, Gosport, Isle of Wight, and South Hants Grocers' Association to Baron H. de Worms.

Sir,

Portsmouth, November 26, 1887

I AM desired by the above Association to ask your kind consideration to their representations on the Sugar Bounty question.

They wish to point out the great blessing conferred on the working classes and, in fact, on the nation in cheap sugar; they believe the consumption per head of population in Great Britain is almost 50 per cent. more than any other European country.

They desire to represent the very large and important industries which have developed with cheap sugar, employing thousands of hands, the principal trades, such as confectionery, jam, marmalade, preserves, cocoa, and chocolate, employing much more labour than the refiners ever employed in their most prosperous times; it is stated that confectioners can manufacture from bounty-fed sugar and export to the country sending the sugar at a profit.

They cannot conceive how the refiners are injured, because the raw beet sugar which the refiners melt and manufacture is bounty-fed equally with the refined and granulated, which we receive manufactured.

The only parties, in their opinion, who suffer are the colonial cane producers, but even they by careful manufacture of fine crystallized find a ready market at good prices.

On the question of return trade they are of opinion that the present system tends to increase business between ourselves and the Continent.

They wish to call your attention to the relative quantities of beet and cane sugar received this week, and which fairly represents the average of the year:—

Raw beet	..	..	..	..	..	..	..	Tons.
Refined beet	..	..	..	..	..	..	..	3,395
Cane	..	..	..	..	..	..	..	2,665
								952

Thus, if the bounty gives us 2*l.* per ton we receive about 700,000*l.* value per annum out of the pockets of the senders; this, they contend, is a sum which, compared with the great advantages conferred on manufacturers in various ways, should not be sacrificed to so small an interest as that represented by the refiners.

The Association could point many other potent reasons and facts, but they content themselves with those adduced, trusting you will give due consideration.

I am, &c.

(Signed) WILLIAM PINK, *President.*

Inclosure 26 in No. 290.

Liverpool Workmen's Anti-Sugar Bounty Association to Baron H. de Worms.

Honoured Sir,

Liverpool, November 29, 1887.

AT a meeting of the above Association held in their rooms, 24, Moorfields, the 28th November, 1887, Philip Harris, Chairman—

“It was resolved that we hereby congratulate you on your appointment as President over the Conference now being held in London on the question of sugar bounties, and trusts and prays your deliberations may end in the total abolition of the said bounty system; and we think our thanks are due, and are hereby most respectfully tendered, to the Most Honourable Marquis of Salisbury, K.G., and his Ministry for having successfully called together the said Conference.”

Remaining, &c.

(Signed) FREDERICK PIKE, *Hon. Sec.*

Inclosure 27 in No. 290.

The London Trades Council to Baron H. de Worms.

*East Temple Chambers, 2, Whitefriars Street, London,
November 29, 1887.*

Sir,

AS representing the only organized body of artizans and mechanics in the Metropolis having a constituency of upwards of 26,000, we think it desirable, in the first instance, to call attention to the interview which took place on the 22nd July last between Lord Salisbury, as Prime Minister, and a national deputation introduced by our Council from the Trade Societies of the United Kingdom.

There were sixty-seven delegates present duly authorized by their respective organizations to "denounce foreign State bounties as a violation of the principles of free trade, and calling upon the Government to use every effort in harmony with the principles to secure the speedy abolition of these bounties."

These delegates, in addition to representing their different trades, held in many cases positions of great public responsibility and trust, for among them were five workmen Magistrates, five members of Town Councils, as well as several members of School Boards in our largest towns.

Nearly every important centre of industry was represented, and as special Resolutions had been passed by the various Societies appointing the delegates to meet the Prime Minister, it is only fair to say that they represented about 500,000 *bond fide* organized artizans and mechanics throughout the Kingdom.

Special Resolutions condemning the bounties were also passed by the Executive Councils of the largest Trade Unions, as well as their branches, which together numbered more than 220, in districts and towns in England, Scotland, Ireland, and Wales.

We beg to hand in herewith paper (A), which is a list of the Resolutions, names of the Societies by which they were passed, and towns from which they were sent.

We submit, therefore, that the feeling on this subject is not confined to any particular trade or locality, but is in the truest sense general.

This general feeling of opposition to foreign State bounties arises not only from a sense of the injustice inflicted on the industries directly attacked, but also from the knowledge that when so many are thus affected by the operation of these bounties workers lose with their employment their purchasing power, and are therefore unable to call forth the services of many fellow-workers to a corresponding degree.

Before our Council took action on this question we made a careful inquiry into the extent of the injury inflicted upon our workpeople.

We felt this to be the more necessary as so many public statements have been made to the effect that what the sugar trade had lost the jam, confectionery, and biscuit trades had gained.

Even if this were true, which is not the case, we fail to see how the mere transference of labour and capital from one industry to another affords any national advantage.

We have made inquiries of employers who were special manufacturers of machinery used in the production of sugar, and we find that in nine firms alone they are employing less engineers by nearly 6,000 than they were four years ago, entirely owing to the foreign State bounty system, and we have verified the employers' assurances by inquiries and returns from our own Societies.

It is most desirable to call attention to the fallacious arguments used by writers in the public press on this portion of the question.

The usual style is to dismiss the whole subject, because, as they say, the number of men employed in the manufacture of sugar is so small, amounting to some few thousands only, as if an injustice to a few in principle was not equally wrong as if perpetrated upon any larger number.

The sugar trade is held by these persons to include only those who are actually employed in the refineries; but it must strike any impartial observer that if an industry turning over more than 20,000,000*l.* per annum is in an active and healthy condition that you want factories, stores, machinery, and fuel before you can even begin the process of production in refining.

This question, therefore, is not one merely for sugar refiners, but is also a serious matter for the allied trades, which include among others the builders to erect factories and keep them in repair, engineers, boiler-makers, ironfounders, pattern-

makers, blacksmiths, charcoal-makers, bag-makers, coal miners, artificial manure makers, sluppers, carriers, and labourers attendant upon all these.

After a very critical examination, we are convinced that by the operation of foreign State bounties labour is lost to more than 50,000 hands in this country.

As some proof of the growing depression in the trades we have mentioned, it may be well to notice the gradual and largely increased percentage of unemployed members, and the consequent increase of payment for their maintenance from our funds. For this purpose we will take only seven trades immediately affected, viz., the engineers, carpenters and joiners, steam-engine-makers, ironfounders, boiler-makers, pattern-makers, and blacksmiths.

In the year 1881 the effect of the bounties began to be severely felt; the payment in that year by these seven Societies to their unemployed members amounted to 83,358*l.*, whereas during last year (1886) the total expenditure for unemployed members in the same Societies was 208,495*l.*, or an increase of 125,137*l.* during the operations of a single year. It must be borne in mind that the percentages of members out of work in relation to the total membership correspond with these money figures.

These percentages rise gradually each year, but at the two fixed points they were as follow:—

	Engineers.	Carpenters.	Steam-engine Makers.	Ironfounders.	Boiler Makers.	Pattern Makers.	Blacksmiths.
1881	3·5	4·9	2·1	7·8	1·7	1·7	1·2
1886	7·4	7·8	5·8	13·9	22·2	9·6	14·4

It will be observed that we have not included in this reference bricklayers, stone-masons, plasterers, painters, and many others equally involved, nor the enormous loss to British labour generally by crippling the sugar industry in our colonial possessions, and thereby lessening the purchasing power of fully half-a-million workers who otherwise would legally demand products from this country. This is clearly shown from the much larger trade done with the West Indies per head of the population than with other countries.

With regard to the allegation that in consequence of cheap sugar the development of the jam and confectionery trades has absorbed the labour thrown idle by the closing of so many refineries, we submit that it is without foundation in fact. In the year 1877 the total consumption of sugar in the United Kingdom was 900,000 tons, and the price of the best Demerara crystals was 1*l.* 16*s.* 6³/₄*d.* per cwt. The price gradually fell year after year till 1886, ten years later, when the same best sugar was selling at 16*s.* 5³/₄*d.* per cwt. just half the price, and yet the total consumption with the ten years' increase of population had only reached 1,100,000 tons. Surely, then, there is no evidence, but on the contrary, that there is this wonderful expansion of the jam, biscuit, and confectionery trades because sugar was cheap, as obviously the sugar trade had not received any increased demand beyond supplying the ordinary growth of population. In fact, during 1885 the national consumption of sugar was 20,000 tons more than it was during last year, which showed that the sugar trade was declining, or that the purchasing power of the people through want of employment had diminished.

Again, with regard to the jam theory, if no protest, on principle, is made against State bounties, it is not difficult to foresee the results.

The real cause of the expansion of our jam trade is that there is no duty on sugar in this country, whereas in foreign countries there is a heavy duty. But if the foreign manufacturers can obtain from their Governments the remission of the duty on sugar used in making exported jam it would simply mean ruin to the jam trade here. The utter fallacy of this jam theory is further shown from the fact that sugar is at this moment dearer by 4*l.* per ton than it was three months ago. Will, therefore, these theorists insist that our jam trade is killed because this rise in price is twice as great as any difference ever made by the bounties?

There is yet another point connected with these foreign State bounties which is worthy of notice. It is within our knowledge that a very wealthy proprietor is now spending some thousands of pounds in purchasing in Germany some new and scientific machinery for the manufacture of sugar. This is being done, not because our working engineers are less skilful or scientific, but from the fact that under the bounty system

the foreign manufacturers, with an expanding trade, have made a speciality of this class of machinery, which the British manufacturer, with a falling trade, could not afford to do.

It is therefore clear that, in spite of all hope and effort to the contrary, it is found impossible to compete against these State bounties; but remove these foreign bounties, and thus give security to our capitalists and manufacturers that they will not be ruined by an artificial system, then enterprise, skill, and science will, as heretofore, not be found lacking in ability to produce the best machinery which the world can command, as we already do in nearly every other branch of manufacture.

With respect to the policy which the British Government should pursue at this crisis, it is difficult to offer an opinion without knowing the feeling of the foreign Governments on the subject. We believe, however, that the first step should be to endeavour to secure the adhesion of as many bounty-giving countries as possible to form a Convention with England to give up the bounties, England undertaking on her part that such countries should not be placed thereby at any disadvantage on English markets by those countries which refused to join this Convention.

In the event of a majority of the countries agreeing to join such Convention, possibly the prohibition of the bounty-fed products of the other countries may best meet the case. If, however, the whole of the foreign countries refuse point blank to remove the bounties or to join a Convention having that object in view, then in defence of our national industries, and to avert a social danger, a countervailing duty equal to the bounty, and continued only so long as the bounty was maintained, would be the effective remedy—in fact, to make the law regarding sugar as it is at this moment with respect to shipping, by giving power to the Privy Council, as it can do now in the case of ships under “The Customs Consolidation Act, 1876” (39 & 40 Vict., cap. 36), preserved from “The Customs Consolidation Act, 1853.” The fact that this power existed would be equal to its exercise, and, as in the case of shipping, it would never be necessary to put it into operation.

We do not disguise the fact that a countervailing duty is repugnant to a majority of the working population, but if no other course is capable of removing these pernicious State bounties, then, under the circumstances which we mention, we, as free traders, demand a cessation of the violation of free trade principles by a foreign State bounty.

We are prepared to recommend this policy to our fellow-workers throughout the United Kingdom in accordance with the policy suggested by the essayist who obtained the Cobden Club prize of 100*l.* in 1878, as the most acceptable and effective plan for restoring free trade in our English markets.

(On behalf of the Executive),

(Signed) GEORGE SHIPTON, *Secretary.*

Inclosure 28 in No. 290.

Extract from the “Times” of November 30, 1887.

THE GOVERNMENT AND THE SUGAR BOUNTIES.—Yesterday Baron H. de Worms (President of the Sugar Bounties Conference) received at the Foreign Office a deputation from the Executive of the London Trades Council in reference to the sugar bounties. Baron H. de Worms was accompanied by Mr. C. M. Kennedy and Mr. F. G. Walpole (British Delegates), Mr. A. E. Bateman and Mr. Farnall (Secretaries to the Conference), and Mr. Gosse, Mr. Lawrance, and Mr. Eyre Crowe (Attachés).

Mr. George Shipton, on behalf of the London Trades Council, speaking of the injury inflicted on British labour by the operation of foreign State bounties, stated that the London Trades Council represented the only organized body of artisans and mechanics in the Metropolis having a constituency of upwards of 26,000. The London Trades Council submitted that the feeling on the subject of foreign State bounties was not confined to any particular trade or locality, but was in the truest sense general. That feeling of opposition to foreign State bounties arose not only from a sense of the injustice inflicted on the industries directly attacked, but also from the knowledge that when so many were thus affected by the operation of those bounties the workers lost with their employment their purchasing power.

Before the London Trades Council took action on the question they made a careful inquiry into the extent of the injury inflicted upon workpeople. They had made

inquiries of employers who were special manufacturers of machinery used in the production of sugar, and they found that in nine firms alone they were employing fewer engineers by nearly 6,000 than they were four years ago, entirely owing to the foreign State bounty system. By the operation of foreign State bounties labour was lost to more than 50,000 hands in this country. In seven trades immediately affected—the engineers, carpenters and joiners, steam-engine makers, ironfounders, boiler-makers, pattern-makers, and blacksmiths—the effect of the bounties was severely felt. In 1881 the payment by these seven Societies to their unemployed members amounted to 83,358*l.*, whereas during the last year the total expenditure for unemployed members was 208,495*l.*

With regard to the allegation that in consequence of cheap sugar the development of the jam and confectionery trades had absorbed the labour thrown idle by the closing of so many refineries, they submitted that it was without foundation in fact. In the year 1877 the total consumption of sugar in the United Kingdom was 900,000 tons, and the price of the best Demerara crystals was 36*s.* 6 $\frac{3}{4}$ *d.* per cwt. The price gradually fell year after year till 1886, ten years later, when the same best sugar was selling at 16*s.* 5 $\frac{3}{4}$ *d.* per cwt.—just half the price; and yet the total consumption with the ten years' increase of population had only reached 1,100,000 tons. In fact, during 1885 the national consumption of sugar was 20,000 tons more than it was during last year.

The real cause of the expansion of our jam trade was that there was no duty on sugar in this country, whereas in foreign countries there was a heavy duty. The utter fallacy of this jam theory was further shown from the fact that sugar was at this moment dearer by 4*l.* per ton than it was three months ago. They believed that the first step should be to endeavour to secure the adhesion of as many bounty-giving countries as possible to form a Convention with England to give up the bounties, England undertaking on her part that such countries should not be placed thereby at any disadvantage on English markets by those countries which refused to join this Convention. In the event of a majority of the countries agreeing to join such Convention, possibly the prohibition of the bounty-fed products of the other countries might best meet the case. If, however, the whole of the foreign countries refused point blank to remove the bounties or to join a Convention having that object in view, then, in defence of our national industries and to avert a social danger, a countervailing duty equal to the bounty, and continued only so long as the bounty was maintained, would be the effective remedy. They did not disguise the fact that a countervailing duty was repugnant to a majority of the working population, but if no other course was capable of removing these pernicious State bounties, then, under the circumstances which they mentioned, they as free traders demanded a cessation of the violation of free trade principles by a foreign State bounty.

They were prepared to recommend this policy to their fellow-workers throughout the United Kingdom, in accordance with the policy suggested by the essayist who obtained the Cobden Club prize of 100*l.* in 1879, as the most acceptable and effective plan of restoring free trade in our English markets.

Baron Henry de Worms, in reply, said,—I have listened with the greatest possible attention and with very great pleasure to the admirably lucid statement which Mr. Shipton, on behalf of this very important body, has laid before me. I need not say how thoroughly I recognize the importance of the body which you represent, as it really and truly embraces almost every trade in the country; and I think that the remarks which you have made gather additional importance from the fact that by looking through the list of the various trades associated with your Society, of course there are a great many who are not directly or indirectly connected with the sugar industry, and therefore I take it that it is not so much a question of affecting any particular industry, but a general protest against the system of bounties which you, on behalf of those you represent, consider to be prejudicial to the trade of the country.

Again, I look with great pleasure on one statement in the beginning of the document which you read to us—namely, that at the deputation which was received by Lord Salisbury on the 22nd July last the principle which you then adopted, and which you still adhere to, was to denounce State bounties as a violation of the principles of free trade, and calling upon the Government to use every effort in harmony with the principles to secure the speedy abolition of those bounties. I think that that statement is an extremely valuable one, inasmuch as it disarms those who are inclined to think that the movement which you yourselves advocate, and which the Government have taken up, would be in direct opposition to those principles of

free trade which now govern the commerce of our country; and the words which Lord Salisbury used on the 22nd July I think might again be repeated with advantage, when he said:—

“It is quite natural—in fact I should be very much surprised if it were not so—that very great indignation should exist at seeing that our own eagerness in the principles of free trade is, as it were, turned against ourselves—(hear, hear)—and that, by what has been fairly described as an illegitimate conspiracy, we are driven out of the industry of our own markets.”

Well, I need scarcely say that I thoroughly indorse every word which fell from the Prime Minister, and the views he so admirably expressed on that occasion. And I would further point out that on that occasion he informed you that he was unable to enter into any details as to the remedial measures which might be necessary to put a stop to this system because the Conference was about to be summoned. Now we are a step further. The Conference which he promised to you on the 22nd July is now a fact, and is meeting daily, or almost daily, within these walls; and you, in your Memorial which you read, asked that we should endeavour to secure the adhesion of as many countries as possible to give up the bounties.

Without going into details of the Conference, the particulars of which of necessity must be for the present moment sacred, I think I may say, without any very great violation of confidence, that that is one of the great objects which the British Delegates have in view. Of course, if the adhesion of the great bounty-paying Powers were assured, then the bounty system of itself must die a speedy and a natural death.

I am sure you will excuse me if I do not go into any of the other suggestions which you have made—very valuable suggestions, no doubt, but suggestions which, in the delicate position in which I find myself, as President of the Conference, it would not be right for me to discuss at the present moment. But you may be certain of this, that the question is understood and appreciated by the Government, and that they fully indorse what you have said in your Memorial. They fully recognize the fact that the industries of this country are generally affected by the bounty system—(hear, hear)—that it is impossible that a system which in itself is so pernicious can only affect the particular industry to which it immediately applies, but that it must, as a matter of fact, affect generally, as I said before, the great industries of the country. Even assuming, as you did at the commencement of your remarks, that the bounty system materially injured the sugar industry, that of itself is a grave evil—(hear, hear)—because, as you point out, it is not only the question of those employed actually in sugar-boiling, but it affects a vast number of trades. It affects the boiler-makers, the machine-makers, the engine-makers, and hundreds of other trades. We all know that if any link of that one chain is weak, the whole chain itself is affected, and the whole course of the industry of this country is materially damaged, and must be materially damaged, if countries, who themselves impose protective duties, make those protective duties more and more objectionable to English trade by assisting their own manufacturers with a profit in advance with which the ordinary manufacturer in this country cannot compete. (Hear, hear.) The Government thoroughly agree with the views which you have stated to-day.

I would further say that I think that you and others may be satisfied with the fact that so many nations for the first time have voluntarily accepted the invitation of Her Majesty's Government to come to England to discuss this bounty system. If there were any prejudice in their minds, or if they were wedded to that system, I think we may reasonably assume that they would not have met us here in Conference to see what can be done. But I venture to think, without interpreting the ideas of those who are not present, that they themselves believe that, although they have a protective system, this bounty system is excessive and improper, even in relation to the system of protection which already obtains in their countries.

I think you may consider, and may take it from me, without going into any details, that the position of affairs is on the whole satisfactory. (Hear, hear.) You may rest assured that the Government of Lord Salisbury, as represented by the Delegates representing England in the Conference, will do everything in their power to put an end to the system, which unquestionably is prejudicial to the best interests of the country. (Hear, hear.)

Mr. Shipton, in thanking Baron Henry de Worms and the other Delegates for their courteous reception, added that the deputation were willing to do all they possibly could to assist the Government in the removal of this injustice. They would do it as thorough free traders, and in the spirit of opening the door to commodities from every

part of the world. Instead of trying to exclude the foreigner, it was clearly desirable that he should come here; and all they asked was that he should come here without injustice to our own industries, and be put on precisely the same legal footing as our own manufacturers with whom he is in competition.

The deputation then withdrew.

Inclosure 29 in No. 290.

Birmingham, &c., Association of Coopers to the British Delegates.

*White Swan Hotel, Edmund Street, Birmingham,
December 1, 1887.*

My Lord,

I HAVE been instructed to forward to you copy of Resolution adopted at a meeting of the above-named Society, held in Birmingham last night, on the Foreign Sugar Bounty question.

I am, &c.
(Signed) HENRY WADLEY, *Secretary.*

Inclosure 30 in No. 290.

Resolution.

THAT this meeting of journeymen coopers of Birmingham and district regard the operation of foreign sugar bounties as being an open violation of free trade principles and ruinous to the employment of British labour in many important branches of home and colonial industry; and this meeting earnestly calls upon the British Commissioners at the International Sugar Bounty Conference, now being held in London, to settle once for all the Bounty question by the adoption of effective means; and that a copy of this Resolution be sent to the Prime Minister, Baron Henry de Worms, and Mr. Walpole.

Inclosure 31 in No. 290.

Sheffield Federated Trades Council to the British Delegates.

Dear Sir,

Surrey Hotel, Sheffield, December 7, 1887.

THE following Resolution was passed at a Special General Meeting of the Federated Trades Council this evening, viz.:—

“That this Federated Trades Council congratulates those employed in the sugar industries that an International Conference is now sitting to consider a basis of settlement of the vexed question of foreign sugar bounties, and trusts that the ultimate result will be the removal of all protective bounties.”

And further urges the Government to adopt energetic measures to bring about a final settlement.

Yours, &c.
(Signed) CHAS. HOBSON, *President, pro Sec.*

Inclosure 32 in No. 290.

Extract from the “Times” of December 9, 1887.

ON Thursday, the 8th December, 1887, a deputation from the British and Colonial Anti-Bounty Association waited upon Baron Henry de Worms, at the Foreign Office, in order to lay before him the views of the Association in relation to the International Conference now being held. The deputation was introduced by Mr. Neville Lubbock, Chairman of the West India Committee, and among the speakers were Sir Daniel Cooper, representing New Zealand, New South Wales, and Fiji; Mr. Easton, sugar refiner, Liverpool; Mr. Tinne, Chairman of the West India Association of Liverpool;

Mr. Hill, of Queensland; Mr. Jourdain, C.M.G., Mauritius; Mr. Hogg, British Guiana; Mr. T. Neill, sugar refiner, Greenock; Sir G. Chambers, Barbados; Mr. de Pass, Natal; Mr. Martineau, Secretary, British Sugar Refiners' Association; Mr. Manlove, manufacturing engineer, Nottingham; and Mr. Voss, manufacturer of manures. Baron H. de Worms was accompanied by the Earl of Onslow, Messrs. Kennedy, C.B., and F. G. Walpole, British Delegates; Messrs. Bateman and Farnall, Secretaries; and Messrs. Gosse, W. T. Lawrance, and Eyre Crowe, Attachés.

Baron Henry de Worms, in reply, said:—

"Mr. Lubbock and gentlemen, I think I may preface the remarks I have to make by expressing to you the regret which the Earl of Onslow felt at having to leave before the members of the deputation concluded their observations, but he had to attend another meeting elsewhere, and therefore his early departure was unavoidable. Now, I think it is impossible to overrate the enormous importance of the deputation which I have the honour of receiving to-day. Almost every branch of the sugar industry is represented. All our British Colonies and dominions are affected, and their Representatives are here to-day to speak on their behalf. Independently of that, we have the evidence of the refiners, and also of those who are deeply interested in the machinery used for the refining of sugar. In fact, I may say that almost every trade affecting sugar is represented here to-day. Well, I think I may assume that none of you now present doubt for one moment the sincerity of the action of Her Majesty's Government in this matter. (Hear, hear.) It is a question which has often been considered, but I think I may say, without fear of contradiction, that this is the first time that it has assumed an absolutely practical shape. Conferences on the subject have taken place before, but at this Conference, now sitting in London, we have the Representatives of nearly all the Powers who are at the present time applying the bounty system. I think that of itself may be taken as very conclusive evidence of the sincerity of the Government, and we may further justly assume that by their presence in London the Representatives of the foreign Powers think with us that at all events the guiding principles of bounties ought to be done away with. (Hear, hear.) Assuming that to be so, we have to look at the question from a practical and business-like point of view. We have to consider how and in what manner that consummation we all hope for may best be brought about. I think you would not expect, in the position which I occupy, that I could discuss the proceedings of a Conference, the reports of which cannot yet be published, as to the means which could be adopted for the purpose of abolishing bounties. I can only repeat the assurance that I have previously given, that Her Majesty's Government is perfectly in earnest in the step they have taken, and are determined, as far as in their power, to stop the bounty system.

The foreign Delegates who have come here have met the British Delegates in a spirit of extreme fairness. (Hear, hear.) Here I may allude to some remarks which fell from Mr. Martineau relative to certain reports published in the press. Those reports published in the foreign papers were absolutely unauthorized, and generally absolutely inaccurate. I need only further add that they did not emanate from the Governments of the countries in which the papers are published, nor from Her Majesty's Government. (Hear, hear.) Mr. Neill said that in one paper which he had read he saw it stated that it was proposed at the Conference that the bounty system should only gradually cease—that it should die out gradually, instead of ending promptly. I am not, of course, in a position to say what has taken place at the Conference, but I can say what has not taken place at the Conference; and I can assure you that no such proposal as that indicated has been before the Conference nor entertained by the Government. (Hear, hear.) Mr. Lubbock, in his opening speech, said the bounty system was generally considered as an infringement of the principles of free trade. I am bound to say, speaking on my own behalf and those I represent, I entirely agree with the view he there expressed. (Hear, hear.) I think it was Sir Daniel Cooper who pointed out that some persons considered that the question now immediately before the Conference was one affecting in some degree the fair trade movement. Well, I beg to say that that interpretation is not correct. The International Sugar Conference has nothing whatever to do with what is known as fair trade. A revolution in the fiscal system of England is not before the Conference, and I may also say it is not before Her Majesty's Government; and if it has arisen at all and been discussed, it has been discussed by those who are at liberty to air their own ideas, but whose irresponsibility must be fully recognized. Having disposed of that question, I would go on to say I think I am interpreting the views which you expressed, and which others have expressed, when I say that no trade fears real, legitimate opposition, but that no private trade can stand competition subsidized by

the State in addition to natural competition. That is the position, I think, of the sugar trade and of every other branch of industry affected by the bounty system. The Government fully recognized that fact. They are also aware that the Colonies are suffering greatly from the bounty system, and that the reflex of that suffering extends to other trades in the mother-country, and we feel with you that its effect is so pernicious that many people in our Colonies, as well as in England, Ireland, and Scotland, are deprived of the employment to which they are legitimately entitled. It is because the Government is impressed by these facts that the Conference has been summoned, and, as far as it has gone, the result may be deemed satisfactory. You would not, of course, expect me to go into the details. To come to another point: now that the Congress has met in America, we have reason to hope that the United States, through the Legation here, may think fit to send a Representative to the Conference. I can only hope my views may be realized; but, independently of the United States, we have the Representatives of eleven Powers attending the Conference. We have four Delegates—two of them certainly experienced men—representing England; but the presence of these foreign Delegates shows you one thing, and that is, that they wish to abolish the bounty system; otherwise they would not have entered in London on a discussion which has that for its sole object. The whole question then is minimized to this: twelve Powers now meet around a table determined on a certain principle. Do you think it is impossible for men of certain experience representing England to find some practical means which shall satisfy these twelve Powers, and bring about the result you wish? Addressing business men—and speaking as a business man myself—you will agree with me that such is not only possible, but probable. You may rely upon it we shall do our best to attain the end desired. (Applause.)

The deputation thanked Baron de Worms, and withdrew.

Inclosure 33 in No. 290.

Nottingham United Councils, viz., Organized, Federated, and Building Trades' Councils, to the British Delegates.

2, Wicken's Terrace, Livingstone Street, Nottingham,
December 10, 1887.

Dear Sir,

I AM instructed by the above Councils to forward you the following Resolutions, viz.:—

That this meeting of representative officials of trade organizations heartily sympathize with the persons employed in the sugar trade, and are of opinion that the sugar bounties are in direct contravention of every principle of free trade.

They also hope that the Government will adopt energetic measures to bring about the abolition of the bounty system.

Yours, &c.
(Signed) T. H. COULTRUP, *Secretary.*

Inclosure 34 in No. 290.

Southport and District United Trades Council to the British Delegates.

Sir,

42, Hart Street, Southport, December 16, 1887.

AT a well attended meeting of the Southport and District United Trades' Council, held at the Cocoa Rooms, London Street, Southport, on Wednesday evening, the 14th instant, the following Resolution was carried unanimously, and ordered to be forwarded to the English Delegates at the Sugar Bounty Conference:—

“This Trades' Council views with satisfaction the meeting of the Conference on the Sugar Bounty question, and urges the Government to adopt energetic measures to insure the abolition of such bounties, believing them to be a grave outrage on the principles of free trade, and a serious injury to important British industries.”

I beg, &c.
(Signed) JOHN YOUNG, *Secretary.*

Inclosure 35 in No. 290.

The British Sugar Refiners' Committee to Baron H. de Worms.

Sir,

21, Mincing Lane, London, December 23, 1887.

I AM desired to express to you and your colleagues, the British Delegates at the International Conference on Sugar Bounties, the hearty congratulations of the sugar refiners at the successful conclusion of the first portion of your labours, and their warm thanks for the ability and tact with which the negotiations have been conducted.

Your own success in avoiding or overcoming difficulties, well seconded no doubt by Mr. Kennedy's sound diplomatic judgment, is clearly apparent; and we are sure that Mr. Walpole's mastery of technical details has already been of great service, and will, during the future course of the negotiations, be highly conducive to their success.

Former acquaintance with similar negotiations leads us to view without surprise, though with great regret, the persistence of Belgium in a course which we cannot regard as otherwise than highly unreasonable. The only way out of the difficulty appears to be the abolition of the duty in Belgium, which only yields the insignificant amount of 6,000,000 fr. We have reason to believe that this would meet, in Belgium, with the approval of all branches of the trade.

Apart from that point of difficulty, you have succeeded in skilfully conciliating divergent interests and in securing uniformity of principle, while avoiding the impracticable and unnecessary accompaniment of uniformity of legislation.

Again thanking you for your able conduct of the negotiations, and with the sincere hope that future difficulties will be successfully surmounted, I beg, &c.

(Signed)

GEORGE MARTINEAU, *Hon. Sec.*,*British Sugar Refiners' Committee.*

No. 291.

*Foreign Office to British Sugar Refiners' Committee.**

Sir,

Foreign Office, December 24, 1887.

I AM directed by the Marquis of Salisbury to transmit to you, for the information of the British Sugar Refiners' Committee, the "London Gazette" of the 23rd instant, containing documents which will make the Committee acquainted with the proceedings of the Conference on the Sugar question which met in London between the 24th ultimo and the 19th instant.

I am, &c.

(Signed)

T. V. LISTER.

No. 292.

*Memorandum by Mr. A. E. Bateman respecting Sugar Taxes in Belgium.*1. *Proceeds and Cost of present System.*

IT appears from a statement in the Belgian trade volume just published that the actual taxed consumption of sugar was little over 4,000,000 kilog. last year, or 1½ lbs. only per head, and consequently the receipts from customs and excise were only the minimum of 240,000l.

The amount of 600,000l. spoken of by M. Guillaume as the normal yield of the sugar taxes was evidently based on the estimated real consumption of 31,000,000 kilog. of sugar, which at 45 fr. per 100 kilog., would produce nearly 600,000l.

The suppression of fraud was supposed to be going to produce this figure of 31,000 000 kilog., which is about 11 lbs. per head. Before this very fraudulent year 1886, 19,000,000l. had been the average taxed consumption for several years. The cost of collection cannot be stated.

* Also to West India Committee, Liverpool Anti-Sugar Bounty Association, London Trades Council, and Workmen's Anti-Sugar Bounties Association.

2. *Proceeds and Cost of Belgian Proposal to decrease the Duty from 45 fr. to 25 fr., and increase the Prise en Charge from 1,500 to 1,700 grammes.*

If, under the present system, by simply preventing fraud 31,000,000 kilog. should be the taxed consumption, an increased "prise en charge" would make the taxed consumption 35,000,000 kilog., which, at 25 fr. tax, would bring in between 350,000l. and 400,000l., allowing for the same "surtaxe" on foreign sugar as now. The cost of collection cannot be stated, but would of course vary very little from the present cost.

3. *Proceeds and Cost of Manufacturing and Refining in Bond.*

This will depend on the rate of tax, whether 45 fr. or 25 fr.; but taking the reduced figure as a sop to the taxpayer, and increasing the estimated taxed consumption to 40,000,000 kilog., or nearly 15 lbs. per head, the tax should bring in nearly 500,000l., including "surtaxe;" but, on the other hand, the expense of supervision would be much increased, and probably nearly 100,000l. would be required for this.

The natural conclusion of this is that Belgium ought to abolish her duties, and would not lose so much as 5 per cent. of her revenue (12,000,000l.) by doing so. The alternative of abolishing drawbacks only would not easily be carried, because she could not then export taxed sugar in competition with that made in bond without payment of duty in other countries.

(Initialled) A. E. B.

December 26, 1887.

No. 293.

*Foreign Office to Her Majesty's Consuls in Countries most concerned.**

(Circular.)

Sir,

Foreign Office, December 28, 1887.

I AM directed by the Marquis of Salisbury to transmit to you, for your information in the matter, a copy of the "London Gazette" of the 23rd instant, containing documents relative to the proceedings of the Conference on the Sugar question which met in London between the 24th ultimo and 19th instant.

I am, &c.

(Signed) JAMES FERGUSSON.

No. 294.

British Sugar Refiners' Committee to Foreign Office.—(Received Decemuer 29.)

Sir,

21, Mincing Lane, London, December 28, 1887.

I BEG to acknowledge with thanks your letter of the 24th instant, transmitting to me, for the information of the British Sugar Refiners' Committee, the "London Gazette" of the 23rd instant, containing the *procès-verbaux* of the sittings of the International Conference on Sugar Bounties.

I am, &c.

(Signed) GEORGE MARTINEAU.

No. 295.

The Marquis of Salisbury to Her Majesty's Representatives in Countries represented at the Sugar Conference.†

(Circular.)

My Lord,

Sir,

Foreign Office, December 29, 1887.

I TRANSMIT to you herewith, the *procès-verbaux* of the Conference on the question of sugar bounties which met in London between the 24th ultimo and the 19th instant.

* Consuls at Gottenburgh, Stockholm, Copenhagen, St. Petersburg, Riga, Warsaw, Odessa, Pesth, Vienna, Frankfort-on-the-Maine, Düsseldorf, Hamburg, Stettin, Königsberg, Amsterdam, Rotterdam, Antwerp, Boulogne, Havre, Nantes, Bordeaux, Marseilles, Genoa, Florence, Naples, Barcelona, Bilbao, Cadiz, Porto Rico, Havana, New York, Philadelphia, New Orleans, Batavia, Manila, and Martinique.

† To Berlin, Vienna, Brussels, Copenhagen, Madrid, Paris, Rome, the Hague, St. Petersburg, and Stockholm.

I have to ask that you will express to the Government the cordial thanks of the Government of Her Majesty for complying with their request that should be represented at this Conference; and their high appreciation of the friendly and valuable assistance rendered by the Delegate towards the settlement arrived at.

Her Majesty's Government accept the conclusions recorded in the Protocol and draft of Convention; and they will be glad to receive the statements which the other Governments are asked to be so good as to communicate before the 1st March next, at the early convenience of those Governments. They will also be glad to receive, together with these statements, the remarks of the several Governments on the various points raised in the recent discussions; and, likewise, to learn the earliest date at which each country can undertake to give effect to the Convention. Her Majesty's Government will then take the necessary steps in order to circulate among the Powers the observations and proposals which they receive; and they trust that in this manner the subsequent preliminary action previous to the second meeting of the Conference may be finished so as to enable the Conference to meet again at the date now fixed for this purpose, namely, the 5th of next April.

Her Majesty's Government hope that its labours may then be completed in a short session, and that the Convention may be signed at the close of the Conference, and be brought into operation at an early date.

I have to request that you will address a note to the Government in the sense of this despatch, forwarding copies of the documents herewith inclosed, and requesting their early consideration of this question.

I am, &c.
(Signed) SALISBURY.

No. 296.

Lord Vivian to the Marquis of Salisbury.—(Received December 30.)

My Lord,

Brussels, December 28, 1887.

THE Prime Minister laid on the table of the Senate yesterday (the other House not sitting) the Protocol of the London Conference on sugar bounties, together with the draft Convention providing for their suppression; the House ordered that these papers should be printed and distributed.

The laying of these papers has been looked forward to with much interest, the Government having hitherto declined to give any information respecting the proceedings of the Conference, on the ground that it had decided that its deliberations should be kept secret.

I have, &c.
(Signed) VIVIAN.

No. 297.

*The Marquis of Salisbury to Her Majesty's Representatives in Countries represented at the Sugar Conference.**

(Circular.)

My Lord,

Sir,

Foreign Office, December 30, 1887.

WITH reference to my Circular despatch of yesterday, I transmit a copy of the Report of the British Delegates, and I have to inform you that Her Majesty's Government attach particular importance to the further negotiations relative to the Sugar question, and to ask that this matter may receive the constant and careful attention of Her Majesty's at

It is desired, more particularly, that a system of manufacturing and refining sugar may be adopted in each country which shall effectually attain the objects in view, namely, the entire suppression of bounties. With the exception of Belgium, the Delegates of all the Powers represented accepted the system of manufacturing and refining in bond as the best means of effecting this result. It is also desirable that a date, as early as possible, shall be fixed for the Convention to come into force.

* To Berlin, Vienna, Brussels, Copenhagen, Madrid, Paris, Rome, the Hague, St. Petersburg, and Stockholm.

You should also, in course of conversation, advert to the proposal of the Netherlands Delegates relative to "Surtaxes de Douane," namely, the amount by which the customs duty exceeds the internal or excise tax on sugar; and likewise to that of the Spanish Delegates respecting the interpretation of the most-favoured-nation clause, and endeavour to elicit an expression of opinion on these points.

I am, &c.

(Signed) SALISBURY.

No. 298.

The Marquis of Salisbury to Her Majesty's Representatives in Denmark, France, the Netherlands, and Spain.

(Circular.)

My Lord,

Sir,

Foreign Office, December 30, 1887.

I HAVE to request that, in addressing to the Government to which you are accredited the communication directed in my Circular despatches of yesterday and to-day, you will inquire the exact position as regards the systems of taxation and supervision of the sugar-producing Colonies, and the views and intentions of the Government as to the inclusion of these Colonies in the proposed Convention.

I am, &c.

(Signed) SALISBURY.

No. 299.

The Marquis of Salisbury to Lord Vivian.

My Lord,

Foreign Office, December 30, 1887.

WITH reference to my Circular despatches of yesterday and to-day, I have to request your Lordship's particular attention to the subject of the equivalents to be offered by the Belgian Government in lieu of the adoption of the system of manufacturing and refining sugar in bond. The passages which more especially bear upon this point are indicated in the margin.*

You will perceive that the equivalents offered by the Belgian Delegates at the Conference were not considered to be adequate by the Delegates of the majority of the Powers represented. If the Government of Belgium anticipate insuperable difficulties in establishing and working a system of manufacturing and refining sugar in bond, the best course would be the abolition of sugar duties. The loss which this step would involve to the revenue of Belgium does not appear to be of very considerable magnitude.

I have to request that your Lordship will inquire what further proposals the Belgian Government intend to make to the Powers, and that you will make a suggestion to the effect that these duties should be abolished if the bonding system cannot be accepted; and that you will further strongly urge the Belgian Government not to assume an attitude which will imperil the adoption of the Convention by the other Powers.

I am, &c.

(Signed) SALISBURY.

No. 300.

The Marquis of Salisbury to Lord Vivian.

My Lord,

Foreign Office, December 30, 1887.

WITH reference to my despatch of the 30th instant, and in continuation of that despatch, I inclose a copy of a Memorandum by Mr. A. E. Bateman respecting the revenue derived from sugar in Belgium and the consumption of sugar in that country.†

I am, &c.

(Signed) SALISBURY.

* See Minutes of the fourth, fifth, and sixth sittings of the Conference in "Commercial No. 3 (1888)."

† No. 204.

No. 301.

The Marquis of Salisbury to Sir Clare Ford.

Sir,

Foreign Office, December 30, 1887.

WITH reference to my Circular despatches of yesterday and to-day, I have to call your attention to the proposal made by the Spanish Delegates with respect to the interpretation of the most-favoured-nation clause, which you will find recorded at the pages indicated in the margin.*

I have to request that you will ascertain the opinion of the Spanish Government with regard to this proposition, and how far they are disposed to press this point in the further negotiations now in progress.

I am, &c.
(Signed) SALISBURY.

No. 302.

The Marquis of Salisbury to Mr. Macdonell.

Sir,

Foreign Office, December 30, 1887.

I HAVE to inform you that the Conference on the question of bounties on the exportation of sugar which met in London between the 24th ultimo and 19th instant was not attended by a Delegate on the part of Brazil, and that the communication, copies of which are inclosed,† received from Senhor Pinheiro was scarcely in harmony with the objects for which the Conference was convoked.

I have to request that in communicating to the Brazilian Government copies, likewise herewith inclosed, of documents relative to the proceedings of the Conference, you will state that it was not attended by a Brazilian Delegate, and express the earnest hope of Her Majesty's Government that Brazil may be represented at the next session, the date of which is fixed for the 5th April, 1888.

I have further to ask that you will add that Her Majesty's Government attach much importance to Brazil being a party to the Convention, which I hope will be signed at the close of the ensuing session of the Conference.

I am, &c.
(Signed) SALISBURY.

No. 303.

The Marquis of Salisbury to Sir W. Stuart.

Sir,

Foreign Office, December 30, 1887.

WITH reference to my Circular despatches of yesterday and to-day, I have to request your attention to the proposal made by the Delegates of the Netherlands against "Surtaxes de Douane" on sugars exported from one of the countries parties to the proposed Convention for the suppression of sugar bounties into another of those States.

It does not appear that the Netherlands proposition received the assent of any of the Delegates except the Belgian. Her Majesty's Government would be glad, as a matter of principle, to see it adopted, but they fear that it is at variance with the present policy of several of the States represented at the Conference, and they think that this question is, strictly speaking, one of domestic legislation, and dependent upon the fiscal system of each nation, rather than a matter directly connected with the suppression of bounties.

Her Majesty's Government will be quite ready at the proper time to put before the other Powers the views of the Netherlands Government, but they earnestly trust that the proposal will not be so pressed as to imperil the acceptance of the Convention by the majority of the Powers.

I am, &c.
(Signed) SALISBURY.

* See Minutes of the sixth sitting of the Conference, p. 125 of "Commercial No. 3 (1888)."

† See Collection of *Procès-verbaux*: "Commercial No. 3 (1888)," p. 110.

The Marquis of Salisbury to Sir L. West.

Sir,

Foreign Office, December 30, 1887.

I HAVE to request that you will communicate to the United States' Government copies of the *procès-verbaux*, inclosed herewith, of the Conference on the question of sugar bounties which met in London between the 24th ultimo and 19th instant, and at the same time express the cordial thanks of Her Majesty's Government for the attendance of Mr. White, the First Secretary of the United States' Legation in London, at the Conference.

I have to request that you will further express the earnest hope of Her Majesty's Government that the United States will be represented officially at the next meeting of the Conference, which is fixed for the 5th April, 1888, and that they will become a party to the Convention for the Abolition of Sugar Bounties, which I hope will be signed at the close of the ensuing session of the Conference.

The accession of the United States to the Convention will much promote the object which Her Majesty's Government have in view in these negotiations. I have therefore to ask that you will give this matter your particular attention, and I leave to your discretion the manner in which it will be most expedient to approach the United States' Government in order to attain this result.

I am, &c.

(Signed) SALISBURY.

*Foreign Office to Colonial Office.**

Sir,

Foreign Office, December 30, 1887.

I AM directed by the Marquis of Salisbury to transmit to you, to be laid before the Secretary of State for the Colonies, Reports from the British Delegates relative to the proceedings of the Conference on the Sugar question which met in London between the 24th ultimo and the 19th instant. Copies of the Protocol signed on the 19th instant, the draft of Convention annexed to it, and the Minutes of the Conference are also inclosed.

I am directed to request that you will call the attention of Secretary Sir Henry Holland to the statements made in the passages indicated in the margin, to the effect that the Colonies and foreign possessions of Her Majesty should be comprised in the Treaty which it is proposed shall be concluded for the suppression of bounties on the exportation of sugar. And I am to ask that you will move Sir Henry Holland to take such action in the matter as he may think fit, and to inform Lord Salisbury of his views on the subject.

I am, &c.

(Signed) JULIAN PAUNCEFOTE.

London Trades Council to Foreign Office.—(Received December 31.)

*East Temple Chambers, Whitefriars Street, Fleet Street,
December 30, 1887.*

Sir,

I HAVE to thank you very much for your note of the 24th instant, with the accompanying copies of the "London Gazette" containing documents regarding the recent Conference on foreign State sugar bounties.

Will you kindly convey to the Marquis of Salisbury our appreciation of his courtesy, and our satisfaction at the very favourable conclusions at which the Conference arrived?

We hope to be able at a little later stage to take such action as will strengthen the hands of the Government in abolishing these unjust and pernicious State bounties.

I am, &c.

(Signed) GEORGE SHIPTON, *Secretary.*

* Also to India Office.

Colonial Office to Foreign Office.—(Received January 7.)

Sir,

Downing Street, January 6, 1888.

IN reply to your letter of the 30th ultimo, inclosing the Report of the British Delegates on the proceedings of the International Conference on Sugar Industries, I am directed by Secretary Sir Henry Holland to transmit to you, for the concurrence of the Marquis of Salisbury, the proofs of two Circular despatches which he proposes to address to the responsible Government Colonies and Crown Colonies respectively.

I am, &c.

(Signed) EDWARD WINGFIELD.

Inclosure 1 in No. 307.

Draft of Circular to Governors of responsible Government Colonies.

Sir,

Downing Street, December 31, 1887.

I HAVE the honour to transmit to you, for the information of your Government, an extract from the "London Gazette," containing copies of the *procès-verbaux* of the meetings of the International Conference on the Sugar Industries which met in London on the 24th ultimo, together with a copy of the Protocol signed by the members of the Conference, and the draft Convention annexed thereto.

You will observe that the Conference has adjourned until the 5th April next, in order to give the different foreign States which took part in it the necessary time to formulate Laws and Regulations for the purpose of carrying out the Convention.

Her Majesty's Government attach importance to the adhesion of the Colonies to the Convention; and I trust, therefore, that before that date I shall receive from your Government a notification of its readiness to enter into the Convention either by abolishing all taxes on sugar, or by binding itself not to allow on any exported sugar, either raw or refined, any drawback, repayment of duty, or allowance in respect of duties paid or loss of bulk.

I have, &c.

(Signed) H. T. HOLLAND.

Inclosure 2 in No. 307.

Draft of Circular to Governors of Crown Colonies.

Sir,

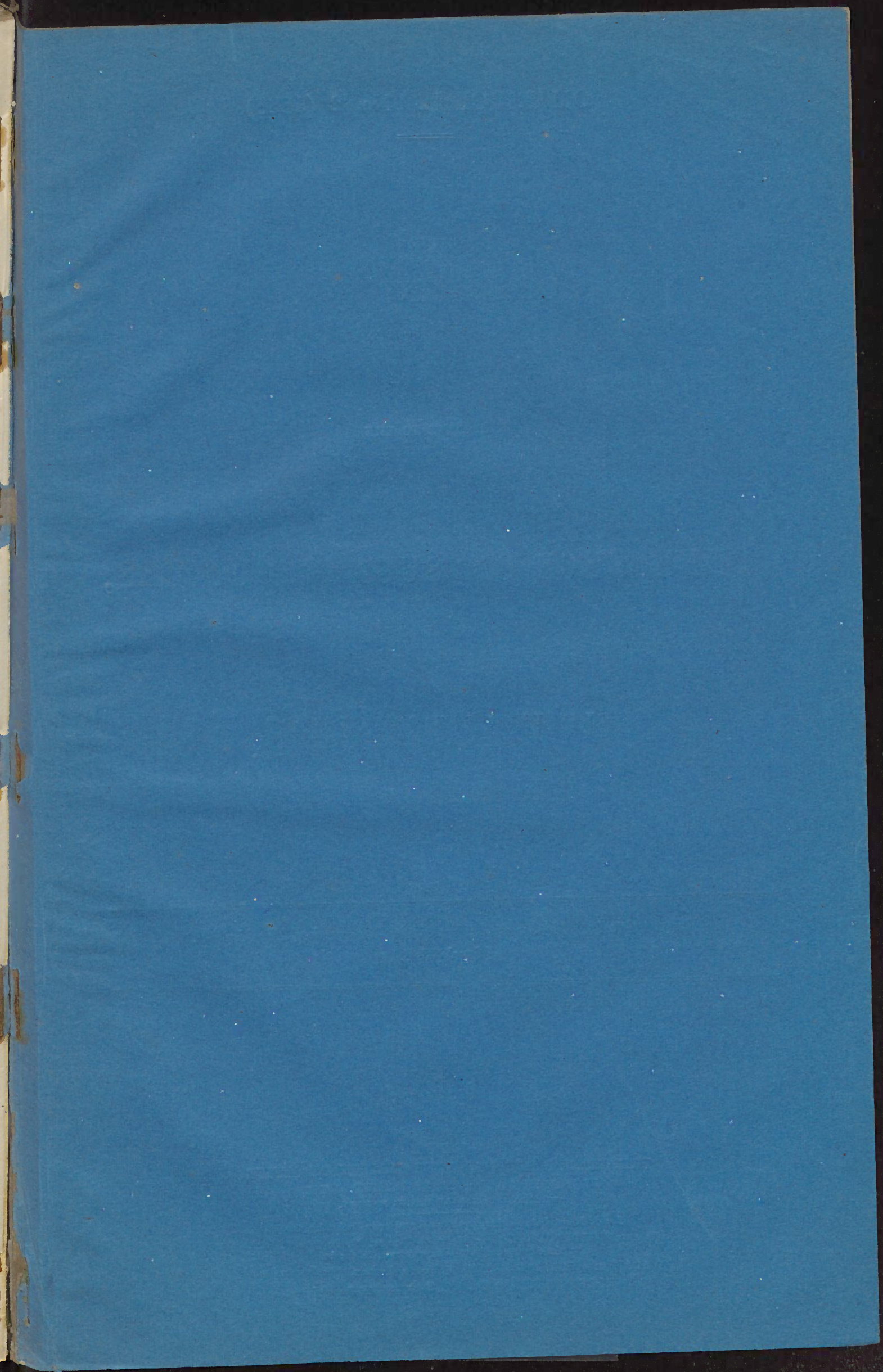
Downing Street, December 31, 1887.

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You will observe that the Conference has adjourned until the 5th April next, in order to give the different foreign States which took part in it the necessary time to formulate Laws and Regulations for the purpose of carrying out the Convention.

I have, &c.

(Signed) H. T. HOLLAND.



COMMERCIAL. No. 2 (1888).

CORRESPONDENCE

RELATIVE TO THE

CONFERENCE ON SUGAR BOUNTIES,

HELD IN LONDON IN 1887.

*Presented to both Houses of Parliament by Command of Her Majesty.
March 1888.*

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