Mr. J. A. CURRIE. I do not wish to enter into dialectics about it at all. Does not that tax now apply to the products of Quebec and Ontario?

Mr. FIELDING. Yes it does, but it has no relation whatever to the maximum tariff, and therefore it does not come within the scope of my observations. There is such a clause in operation now, and what I have to say does not in any way effect it. Now, the proposal was that the maximum tariff would be imposed upon all the products of Canada, and it is with that matter I am now dealing. The clause to which my hon. friend refers is in the tariff law; it is in operation to-day, and my observations do not touch it at all.

Mr. SPROULE. That clause is that the amount of the export duty levied shall be added to the duty in the United States.

Mr. FIELDING. That has reference to particular cases which have already arisen in some degree in Ontario, and in a limited degree in Quebec. I believe to-day there is a different tax being levied upon some pulp taken out from the province of Ontario, compared with what is levied in other cases. I do not think very much of it is paid, but I am informed there are cases in which that special tax has been paid. At all events, that is not under the maximum tariff clause; it is under a different division of the tariff, and I am not now dealing with it.

Then, I come to the larger question of what is commonly called the Franco-Canadian treaty. In a general way the United States government have taken the ground that the Franco-Canadian treaty is a discrimination; an undue discrimination against them. That is to say, that since we granted certain rates of duty to the products of France, and of certain other countries, which we did not grant to the United States, that amounts to discrimination, and it was assumed generally that in order to avoid the maximum tariff we should grant to the United States what we granted to France under the Franco-Canadian treaty, covering 110 tariff numbers of the Canadian tariff.

We were not disposed to admit that rule. We claimed that our treaty with France was a treaty of reciprocity; that is to say, that we granted to France certain concessions in return for which France granted us similar or equivalent concessions. We said to the United States: If you want these concessions that France received from us, you should be prepared to purchase them as France did by giving what we would regard as equivalent concessions. To that our friends in the United States naturally demurred. They claimed that if they gave us what is called the favoured-nation treatment—the best that was going—that we should do the same with them. That, however, we thought was a view we ought not to take. We refused to take it in the beginning, and we refuse to take it now.

There is a misapprehension with respect to this Franco-Canadian treaty in one respect. I read recently a newspaper article which treated our difference with the United States as one which arose in consequence of our recent French treaty. That is a mistake. If the new French treaty had not been entered into at all, the same question would have arisen, because we had another French treaty, a treaty not so comprehensive as the later one, but which was in principle the same. We have had since the year 1894 a treaty with France, and which incidentally, in consequence of the favoured-nation conditions, we granted to other countries. We granted to France and these other countries concessions which we did not grant to the United States, so that in principle the question that we have with the United States to-day is the same question that would have presented itself even if our recent Franco-Canadian treaty had never been adopted, because we would have still had an outstanding French treaty in which there were rates granted to France which were not granted to the United States, and consequently there would have been the same ground for the contention——

Mr. MIDDLEBRO. May I ask whether it was the treaty of 1894 or the treaty passed with France last year which in the opinion of the American representatives constituted a discrimination?

Mr. FIELDING. The treaty of 1893 has ceased to exist, and consequently it could not be a discrimination, but if we had not brought forward the new treaty the old treaty would have remained in existence. The old treaty was abolished by the terms of the new treaty, and if the new treaty had not been negotiated the old treaty would have remained, and the principle of discrimination as between France and the United States was as clearly set forth in the old treaty as it was in the new. The new treaty is more comprehensive in character, but the principle of discrimination—if it be discrimination—is to be found in the old treaty as well as in the new. Our contention was that our treaty with France was a reciprocal treaty. We said to our American friends that if they were prepared to negotiate with us for better trade relations with Canada, if they were willing to give us what we might regard as adequate concessions, we would be disposed to give them what we might regard as reasonable concessions in return. But, we disputed their right to say that the concessions which we gave to France and to other countries in return for favours, should be