REPORT OF THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS.

The Right Hon. W. L. MACKENZIE KING, C.M.G., M.P., Secretary of State for External Affairs, Ottawa.

SIR,—I have the honour to submit the usual review of the principal matters which have engaged the attention of the department during the past year.

EUROPEAN WAR

The final steps towards formally ending the war by concluding peace with Turkey were taken by the assembling at Lausanne in November, 1922, of a conference of representatives of the Allied Powers and of Turkey. After sessions lasting some ten weeks, a draft general Treaty of Peace, with drafts of eight related treaties dealing with subordinate questions, was presented to the Turkish Delegation by the Delegation of the Allies. These drafts were not acceptable to the Turks, and the sessions were broken off. Further negotiations however brought about the re-assembling of the conference, with the result that the Peace Treaty and some fourteen subsidiary documents were signed at Lausanne on July 24, 1923. All these agreements still await ratification.

TREATIES WITH FOREIGN POWERS

Agreement with Japan.—By an exchange of notes, dated November 30' 1922, an arrangement was concluded with Japan, providing for the reciprocal recognition to the tonnage measurements recorded in the certificates of registry of Japanese and British ships. Canada shares in this agreement with the right of separate withdrawal on giving twelve months' notice to terminate the agreement.

Commercial Treaty with France.—Mr. Fielding, the Minister of Finance, and Mr. Lapointe, Minister of Marine and Fisheries, being in Europe as Canadian delegates to the Assembly of the League of Nations, negotiated a commercial treaty with France, which was signed on December 15, 1922. By its provisions Canada receives for certain named products the benefit of the French minimum tariff, and for other named products the benefit of specified percentages of reduction from the general tariff, such percentages always to be as favourable as those granted by France to the United States. To other Canadian products the rates of the tariff of 1910 are to be applicable as soon as they are applicable to United States products, and when not so applicable a reduction of 25 per cent of the difference between the French maximum and minimum tariffs shall be given on these Canadian products.

In addition to special advantages on named articles, France receives for her products generally "most favoured nation" tariff treatment in Canada. National treatment in regard to the protection of trade marks, etc., and the prevention of unfair competition is reciprocally conferred, and "most favoured nation" treatment for the nationals of either country in the territory of the other is assured. The treaty having been approved by the Parliament of Canada and by the French Chambers, ratifications were duly exchanged on

September 5, 1923.