

ernment who attended the conference, the Earl of Jersey, that it was hopeless; the British government would not do it.

Now, the conclusions I desire to draw are that we have not suffered very largely by the loss of that trade. I find in 1896 that the exports to Germany before the change of government were \$737,000. In only one year had there been any considerable amount above that. In 1902 our exports had risen to \$2,692,000. Certainly Canada was not suffering by that. The Germans wanted our goods and I think the question who paid the duty was pretty well illustrated there.

The Germans bought because they wanted Canada's goods. The goods we sent to Germany and found a ready market, and they were nearly \$2,000,000 better than the last year of my hon. friend's administration. The aggregate trade, that is both imports and exports, amounted in 1896 to \$6,698,000; and last year they were double—\$13,315,000. I do not think we have very much to complain of in that and I do not think it is quite proper to condemn Germany. We insisted upon Great Britain taking a very decided and positive stand, much against their inclination. It was open afterwards for us to unite with Great Britain in a new treaty. We declined to do it; we thought Canada ought to be absolutely free in regard to treaties with outside countries. Unfortunately, although we released the two treaties that bore most heavily against us, that is the treaties with Belgium and Germany, we are tangled up still with some eighteen or twenty treaties with other countries, and if we were to-day to give Germany any benefit in our market it would enure to those other countries under what is called the favoured-nations clause. That is, any advantage to any other foreign country would have to be granted to those eighteen or twenty that enjoy the favoured-nations clause. So I think we occupy a very much better position than if we had now a second time united with Great Britain in having a treaty and allowing the British preference to stand. I have no doubt the Germans would have consented to that if we had allowed them any advantage in our market.

Hon. Mr. MILLER—Why not retaliate in our tariff against them?

Hon. Mr. SCOTT.

Hon. Mr. SCOTT—The Germans have two tariffs—the ordinary tariff and the conventional tariff, the latter applying to countries that have special tariffs with them. Germany would be ready to make a conventional tariff with us to-morrow, I have no doubt, if we wanted it.

Hon. Sir MACKENZIE BOWELL—Do I understand the hon. gentleman to say that the denunciation of those portions in the treaty which bound us to give Germany the same privileges that we give England only applied to Germany? I understood him to say there are eighteen or twenty other countries.

Hon. Mr. SCOTT—There are eighteen or twenty that have that favoured-nations clause.

Hon. Sir MACKENZIE BOWELL—Did the denunciation of those treaties for which the hon. gentleman's government claim credit, apply only to Germany and Belgium?

Hon. Mr. SCOTT—Only to these two. What I said was if we gave Germany now some limited privilege, either in the coasting laws or a lower tariff, or any advantage whatever in our ports, that we would have to extend that privilege to eighteen or twenty other countries that now have in their treaties with Great Britain this favoured-nations clause to which Canada was a party. Because my hon. friend will know from his long experience that it is only in recent years Canada has been consulted when Britain made a treaty. In the early years the British government made treaties without consulting us. I have no doubt Canada was not consulted when the treaties with Germany and Belgium were made.

Hon. Sir MACKENZIE BOWELL—The hon. gentleman is quite right.

Hon. Mr. SCOTT—It is only after both sides have protested against being dragged into treaties simply because we were a part of the empire, that a change of policy has occurred and Canada is now consulted before she becomes a party to any treaty. Recently a treaty was made with Japan and we were asked whether we would unite in that treaty. We did not consider it advisable to do so in consequence of our being favoured-nations clause in their treaties in