

send to Ottawa two of its prominent officials connected with commercial matters, Professor Henry C. Emery, chairman of the Tariff Commission appointed not long ago in connection with the new tariff law, and Mr. C. M. Pepper, an officer of the State Department, having special charge of commercial affairs. These two gentlemen came to Ottawa and spent some days in communication with us. The government were represented in that negotiation by the Prime Minister and the Minister of Finance. The whole question was discussed very freely, and I think the negotiation was helpful in enabling each to understand more clearly the ground taken by the other. But no conclusion was reached at the moment which justified the anticipation of a favourable settlement. These gentlemen returned to Washington to report to the United States government. It was announced in general terms in their press that their mission was unsuccessful. If it be unsuccessful for them to have come to Ottawa and not to have brought the matter to a final conclusion, that perhaps would be a fair statement. But I do not regard their mission as unsuccessful. I consider that the negotiations which took place in Ottawa between these gentlemen and the Canadian ministers, and the opportunity they had of mingling amongst Canadian citizens, and understanding the Canadian side of the question better, were helpful in the arrangements which were subsequently made; so I do not regard the mission of Professor Emery and Mr. Pepper to Ottawa in any sense as unsuccessful, because I am sure they had a useful bearing upon the arrangements that were finally made.

The first sign of a difference between the United States and Canada on this important question was in relation to a point which has not recently attracted much notice. It has ceased to be a prominent feature of this matter, and perhaps there is no need of dwelling on it, but for a certain reason I wish to make a passing reference to it. In the Payne Bill as it passed the House of Representatives—the name of Mr. Aldrich had not then become attached to it—in the Payne Bill there was a clause proposed to penalize the trade of countries which might discriminate against the United States. Then there was a proviso inserted which at first glance seemed to take into account the British preference, and recognizing it as a legitimate preference and not a discrimination. The words of the proviso were as follows:

Provided however that these provisions for additional duties shall not apply to cases where preferential duties to other countries are those given by a province, dependency or colony to the mother country only.

Mr. FIELDING.

At first glance it might seem that that clause had been put in to recognize the preferential arrangements which Canada had made within the British empire. But upon more careful examination it will be observed that special mention is made to the granting of a preference by a colony or dependency to the mother country only. The effect of that clause, if it had remained in the Act, would have been that the United States would have recognized our right to grant a preference to Great Britain, but would not have recognized our right to grant a similar preference to any other portion of the British empire. As we had granted preferences to New Zealand, to South Africa, to British India and to the West Indies, if that clause had remained in the Payne Bill, that would have been held to be discriminating against the United States, because we grant preferences to these colonies which are not granted to the United States. Fortunately, however, that clause was not adopted by the Senate; the penalizing clause, as I have described it, was rewritten in the Senate, and no reference was made in it to any such preference. I mention this matter because it seems to have an important bearing upon certain negotiations which are in progress between Canada and the West Indies. My hon. friends will recollect that a Royal Commission has been inquiring into the trade relations between Canada and the West Indies. The Minister of Customs and myself were appointed members of that commission. My hon. friend the Minister of Customs was fortunately able to go to the West Indies and participate in the deliberations. When they visited the Island of Jamaica they found it strongly inclined to trade with Canada, but the representative men of the commercial bodies appearing before the Royal Commission expressed the fear that if they granted any preferential treatment to Canada, if they entered into a preferential arrangement of that kind, it would be regarded in the United States as a discrimination, and would bring about retaliatory measures on the part of the United States. As the trade of Jamaica with the United States was very considerable, our friends in Jamaica were unwilling to run any risk on that score. They expressed a desire that Canada in some way would be able to arrange that no discrimination should be held to exist and no retaliation adopted. Of course, it is not in our power to make any arrangement of that kind on behalf of the United States. But it is worthy of note that in the negotiations which have recently taken place between the United States and Canada touching undue discrimination, the United States have not at all raised the question as to the British preference.