

coast has been a permanent cause of trouble and friction between the British possessions and the United States. Again and again all the resources of expert diplomacy had to be summoned towards preventing the two countries from going to war. The rights of United States fishermen were recognized and limited by the treaties of 1818 and 1871, and later on by the *modus vivendi* temporarily agreed to in 1888. But Great Britain's sovereign rights over and control of the North Atlantic Fisheries were from the outset taken exception to by the United States. In fact, Senator Turner, one of the United States delegates, before the Hague tribunal, went so far as to contend that, under the terms of the treaty of 1818, Great Britain had relinquished her sovereign rights, that the United States henceforth enjoyed equal rights in the use of those fishing grounds, and to such an extent that the United States navy could unquestionably be sent to enforce such rights. Had these pretensions been acquiesced to, Canadian interests in the gulf and over the North Atlantic would have been in constant jeopardy. Fortunately, the decision rendered by the arbitration tribunal has dispelled all doubts in this connection, and British sovereignty has been clearly recognized. United States fishermen will have to submit to the laws and regulations of the Dominion and Newfoundland governments.

The hon. Minister of Justice (Hon. Mr. Aylesworth) is entitled to the gratitude of the Canadian people for the zeal and ability he has displayed in vindicating our rights. The success which crowned his efforts brought forth encomiums from the press in all parts of Canada. We are thankful to the Imperial authorities as well for having appointed the distinguished chief justice of the country to represent Great Britain on that important tribunal, and for having helped and forwarded in every way the upholding of our rights.

That award of the Hague tribunal has finally disposed of our only serious cause of friction remaining with the United States. Is this not an opportune time for looking into our business intercourse with our neighbours to the south, and for finding out what means should be taken towards improving trade conditions? The United States government has made an opening. At its suggestion, and without any steps having been taken on our behalf, important negotiations have been started and are just now being pursued by authorized representatives of both countries. I am not in a position to foretell what will be the outcome of this conference, but I have a strong hope that it will turn out to the advantage of Canadian trade interests.

Sir, I am aware that a certain number of my fellow citizens think that we should refrain from entering into any trade arrangement with the neighbouring republic; such

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a view, though fully entitled to respect, should not prevail in this House or in this country. Why should proposals embodying reciprocal, reasonable and fair concessions be rejected? These countries have a common boundary line 4,000 miles in extent; railway systems connect their various centres; great lakes, rivers and canals ensure constant and direct intercourse between both countries; there is no geographical feature which does not tend to develop trade relations between these two great dominions. So much so, Mr. Speaker, that in spite of hostile and in many cases prohibitive legislation, business intercourse between Canada and the neighbouring republic has at all times been active. Of our trade at the present time, 50 per cent is with the United States; 50 per cent of our imports are from that source and 35 per cent of our exports are sent to that country.

Considerable activity is evinced in our trade with Great Britain, and our earnest wish is that such trade intercourse should be maintained and extended as far as possible. But, on the British market, we have as competitors all the nations of the world, of which several have over us an undoubted advantage. Germany, Russia and France are in closer proximity than is Canada to the British market.

In the United States market we are at an advantage, and there is in that country a population of 90 millions to supply. Would it be on our part an act of wisdom to reject any proposal making for the improvement of our commerce and trade relations with that immense country?

Canada has derived great benefits from the Elgin treaty between 1854 and 1866. Why should a new agreement portend greater danger? But the opponents of all negotiations appeal to our loyalty for Great-Britain, and claim that any trade arrangement with the United States would loosen the ties which bind us to the Empire. Sir, anything that makes for the progress and prosperity of the country can but help to enhance our appreciation of the political status which rendered possible such progress and prosperity. Any new departure in our economic legislation which will result in increasing the national wealth will necessarily turn out to the advantage of the great empire of which Canada is the most precious gem. Bonded warehouses and preventive officers cannot, to my mind, be made to serve as helps to loyalty, and their disappearance cannot in any way diminish Canadian patriotism.

Such was the thought which inspired all the prime ministers of our various provinces, conservative as well as liberal, at the interprovincial conference in Quebec in the year 1887. A resolution was unanimously adopted favouring a policy of commercial reciprocity with the United States, and stating that such a departure, far from