

tions from the government, we made these representations. Unfortunately, all our efforts in this direction have proved unsuccessful. Representations were made through the diplomatic channels of the British government, but without success. In the fall of the year 1901, and particularly in November, we concluded that as the usual form of diplomatic negotiations through the Imperial authorities had not proved successful, we would avail ourselves of opportunities to discuss the subject with the gentleman who holds the very honourable position of Imperial German Consul in Montreal, Mr. Bopp. He was good enough to meet us in a friendly spirit and gave us the use of his official channel of communication to express our views. Of course, representing the German government, in our conversations with him, he was by no means ready to accept our views, but we thought that we should press the matter upon the German government through him, as well as through the more official channels of the colonial office. Thereupon, in the month of November, 1901, after a conference held by the right hon. leader of the government (Rt. Hon. Sir Wilfrid Laurier) the hon. Minister of Customs (Hon. Mr. Paterson) and myself with Mr. Bopp we prepared the following memorandum:—

RELATIONS WITH GERMANY—MR. FIELDING'S MEMORANDUM FOR THE GERMAN CONSUL AT MONTREAL.

The undersigned Minister of Finance, having in conjunction with the Right Honourable the Prime Minister and the Honourable the Minister of Customs, had an interview at Ottawa with Herr Franz Bopp, His Imperial German Majesty's Consul at Montreal, on the subject of the trade relations between the German empire and the Dominion of Canada, submits for the consideration of council the following observations thereon.

Prior to 31st July, 1893, Canada, as a portion of the British empire, received the most favourable tariff treatment in Germany, under the terms of the treaty which had long existed between that country and Great Britain. On the date named, that treaty, having been denounced by the British government, ceased to have effect. Provisional agreements have since been entered into from time to time between Great Britain and Germany. Canada, however, has been excluded from the benefit of such agreements. The products of Canada are no longer admitted into Germany on the favoured terms known in the German tariff as 'conventional duties,' but are specially excluded therefrom and made subject to the higher duties of the general tariff. The reason assigned by the German government for this discrimination against Canada is the enactment by the Dominion of legislation granting preferential tariff

rates to the products of Great Britain. The undersigned desires to point out that the policy of the Canadian government was not designed to give any foreign nation more favoured treatment than was to be allowed to Germany. The Canadian policy has been confined to a readjustment of the commercial relations of the Dominion with the British empire of which it is a part, a domestic affair which could hardly be open to reasonable objection by any foreign government. It would, therefore, seem that the action of Canada afforded no just ground for complaint by Germany. The undersigned is of opinion that there has been some misconception of the Canadian policy in this respect, and hopes that upon further consideration the German government will see that Canada, in taking the step referred to, did not forfeit her claim to the advantages accorded by Germany to the most favoured nations.

Apart, however, from the purpose of the Canadian policy in question, the undersigned invites attention to the fact that the trade between the two countries, which was largely in favour of Germany under the treaty, has continued to be equally favourable since the treaty ceased to exist. Canada was and still is a large purchaser of German goods, while Germany was and still is but a small purchaser of the products of Canada. The following statistics will clearly show how largely the balance of trade is in favour of Germany:

IMPORTS FROM GERMANY INTO CANADA FOR HOME CONSUMPTION FOR THE FISCAL YEARS ENDING JUNE 30.

1896.....	\$5,931,450
1897.....	6,493,363
1898.....	5,534,014
1899.....	7,393,453
1900.....	8,387,493
1901.....	7,010,105

These imports it is believed have been substantially all of German origin.

TOTAL EXPORTS OF CANADA TO GERMANY DURING THE FISCAL YEARS ENDING JUNE 30.

1896.....	\$ 757,531
1897.....	1,045,432
1898.....	1,837,448
1899.....	2,219,569
1900.....	1,715,903
1901.....	2,141,552

A portion of these exports was not Canadian but merely passed through Canada in transit. The following statement shows more accurately to what extent Germany is a buyer of Canadian goods:—

EXPORTS OF THE PRODUCTS OF CANADA TO GERMANY DURING THE FISCAL YEARS ENDING JUNE 30.

1896.....	\$ 606,919
1897.....	764,589
1898.....	1,419,096
1899.....	1,310,373
1900.....	1,128,163
1901.....	1,374,616

In view of this evidence that the trade between the two countries continues to be very largely in favour of Germany, the purchases