

clauses is to prevent lower duties being charged in British Colonies on the importation of goods the produce of the United Kingdom, than are charged on similar goods the produce of Belgium or Germany. Moreover, under the most-favoured-nation clause contained in most of the treaties in force between Great Britain and foreign states, this privilege which is enjoyed by Belgium and German goods in the British Colonies, is extended to the goods of all the various countries parties to those treaties.

4. The Parliament of Canada desires the abrogation of these clauses on the grounds, amongst others, that they are incompatible with the rights and powers subsequently conferred by the British North America Act upon the Parliament of Canada for the regulation of the trade and commerce of the Dominion, and that their continuance in force tends to produce complications and embarrassments in such an Empire as that under the rule of Her Majesty, wherein the self-governing colonies are recognized as possessing the right to define their respective fiscal relations to all foreign nations, to the Mother country and to each other.

5. In so far as the right here claimed consists in fixing rates of customs duties applying equally to all foreign nations, the Mother country, and the British Colonies, Her Majesty's Government do not contest the statement. But if the statement is to be taken as extending to a claim of right to establish discriminating treatment between different foreign nations or against the Mother country or in favour of particular colonies, Her Majesty's Government are obliged to point out that the claim is stated too broadly: for no such general right has hitherto been recognized, nor is it clear that it would be admitted by foreign countries.

6. It is unnecessary now to examine the question whether a self-governing colony is capable, with the assistance of Her Majesty's Government and by negotiation in the usual diplomatic course, to enter into special fiscal arrangements with a particular foreign state, or the question whether such a colony is competent without imperial legislation, similar to the "Australian Colonies Customs Duties Act, 1872," to grant discriminating duties in favour of particular colonies. For these questions, important as they are, may be dealt with independently of the Anglo-Belgian and Anglo-Zollverein Treaties, to which the Address of the Canadian Parliament specifically relates.

7. I have to point out that the denunciation of these two Treaties would not of itself confer upon the Dominion the freedom in fiscal matters which it desires to obtain, and I am disposed to doubt whether the extensive changes that would have to be made have been fully realized in putting forward this proposal.

8. Many of the Commercial Treaties entered into by this country contain most-favoured-nation clauses, and these Treaties apply in many instances to the Mother country and to all the colonies. In order, therefore, to confer upon the Dominion complete freedom in its negotiations with foreign powers it would be necessary to revise very extensively the existing Commercial Treaties of the British Empire, and a great break up of existing commercial relations, of which Canada now enjoys the benefit, is involved in the suggestion.

9. Within the last year the system of Central European Tariff Treaties has been inaugurated, and under that system it is more important than ever that this country should not lose the benefit of the clauses in the Belgian and Zollverein Treaties which secure most-favoured-nation treatment in tariff matters to British produce and manufactures, including the produce and manufactures of Canada and the Colonies generally,—clauses which it might be difficult to secure in any new convention.

10. It should be borne in mind that the Dominion of Canada has already a trade of some importance with Central Europe. Taking Germany alone, imports into Canada reached more than three quarters of a million sterling in 1890; exports to Germany had increased from a very small amount to £100,000. This export trade includes cereals, meat and cheese; and in all these articles considerable reductions of duty are made by the new treaties.

11. For these reasons, which I feel sure will commend themselves to the Parliament of Canada, Her Majesty's Government have felt themselves unable to advise Her Majesty to comply with the prayer of the Address which you have transmitted for submission to Her Majesty.

I have, &c.,

(Sgd.) KNUTSFORD.

Governor General,  
&c., &c.

#### PRINCE EDWARD ISLAND TUNNEL.

Mr. PERRY. Before the Orders of the Day are called, I wish to draw the attention of the Minister

Mr. SPEAKER.

of Finance to the fact that the papers which the House ordered to be brought down with respect to the Prince Edward Island tunnel have not yet been laid on the Table. The Minister said they would be brought down at an early period, and that the proper time to discuss the question was on the Estimates. So far they have not been brought down and I have heard nothing of them, and I must admit that I am desperately afraid the session will slip away before the hon. gentleman will fulfil his promise. Does he actually intend to bring down the papers or not?

Mr. FOSTER. I have no hesitation in saying that I intend to bring them down. They will be down to-morrow or the next day.

#### FISHING VESSELS OF THE UNITED STATES.

House resolved itself into Committee on Bill (No. 11) respecting fishing vessels of the United States of America.

(In the Committee.)

On section 1,

Mr. DAVIES (P.E.I.) I should like the hon. gentleman to state whether the introduction of this Bill in a permanent form is the result of any conversation that took place between the Canadian delegates and the Secretary of State at Washington.

Mr. TUPPER. None whatever. It had no reference whatever to this.

Mr. DAVIES (P.E.I.) The hon. gentleman has no other object, in introducing the Bill, than that of saving the trouble of introducing it year by year?

Mr. TUPPER. As I explained to the House before.

Mr. DAVIES (P.E.I.) The hon. gentleman will recollect that when the Bill was first introduced very strong assurances were given to the House that the Bill introduced would be of a temporary character. I am the more induced to recall this assurance because of the statements which were made in the early period of those troubles arising out of the application of the United States to have the right of transshipment and purchase of bait. The hon. gentleman will very well recollect that it was then intimated by the present leader of the House, and by the present Minister of Finance, who at the time was Minister of Marine and Fisheries, that if we permitted those privileges to be conceded to the United States fishermen, it would be practically surrendering the whole question, that it would be giving them a basis of supplies, and if we permitted them to make our ports the basis from which they could carry on the fisheries, we would be practically surrendering to them the whole fisheries question. I did not share in the views which hon. gentlemen then advanced, but I should like to have had a more formal recantation of that prophecy so made by themselves on that occasion, when they are now practically conceding in permanent form all that which they declared that time would, if granted, prove ruinous to our fishing interests. I notice also that the leader of the House stated a short time ago, if I caught his remarks aright, that the amount we receive from those licenses almost equalled the expenditure in that respect. My curiosity was so