

## REPORT

OF THE

## UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS.\*

To the Honourable CHARLES MURPHY, K. C., M.P.,  
Secretary of State for External Affairs.

SIR,—I have the honour to submit herewith a report on the affairs of the Department of External Affairs covering the first year of its existence.

The Act by which the Department was created was brought into operation by proclamation of the Governor General on June 1, 1909, and steps were forthwith taken for its organization and for the inception of its work. Temporary accommodation having been obtained in the House of Commons building, it was possible to begin operations early in July. About the middle of October its location was transferred to quarters in the Trafalgar building, at the corner of Queen and Bank Streets, where it is now established.

In addition to the current business of the Department, a highly important and laborious part of its work is the laying of foundations for its future usefulness by collecting and arranging the papers recording the history of Canada's external relations. Good progress has been made with this work, especially as regards the more recent papers, but much remains to be done.

The current correspondence with which the Department has been called on to deal, has been concerned with subjects of perhaps rather more than usual interest, as will appear from the following brief review.

## TRADE RELATIONS.

## CONVENTION WITH FRANCE.

The Supplementary Convention signed January 23, 1909, modifying the Convention of September 19, 1907, regulating the commercial relations between Canada and France, was approved by the Canadian Parliament in an Act which took effect on December 3, 1909, and both Conventions were ratified and became operative on February 1, 1910.

The general effect of these two Conventions which are to remain in force, unless previously denounced, for ten years, and thereafter until the expiry of twelve months from the day on which either of the two parties shall have denounced them, is to give to certain Canadian products enumerated in Schedule A of the Convention, the benefits of the French minimum tariff, in return for the concession to the French products specified in Schedule B, of the Canadian Intermediate tariff, and of special tariff rates to other French products named in Schedule C.

\* This report is carried down to the 30th June, 1910.