

and other countries. I must premise with an explanation saying that in the year 1894 Great Britain made a commercial treaty with Japan to which treaty the self-governing colonies were privileged to adhere if they saw fit and these colonies were given two years in which to adhere to the treaty. The expiry of the two years occurred on the 16th July, 1896, three days after the present Prime Minister was sworn into office. When this government came into office we found a recomunication from the imperial authorities asking whether Canada would like to adhere to the Japanese treaty. It was some little time before we could take the matter up for discussion or investigation. The time had really expired, but we did consider the matter and in view of the difficulties which we were then foreseeing in regard to commercial treaties between the mother country and foreign countries which contained favoured nation clauses, clauses which might hamper Canada in her commercial dealings, and also in view of the fact that at that time our people generally classed the Japanese and Chinese together in regard to their entering into Canada and their relationships with us as a labouring class in our country, the government thought it was better for us not to adhere to the treaty. Some little time afterwards, and especially at the time that I was delegated to go to Japan in connection with the exhibition there, I made a careful study of the commercial relations between Canada and Japan, and I found what had not been, I think, thoroughly understood in this country before even by those in office, and yet is not understood by the people of the country at large. The Japanese government have treaties with four commercial nations, Great Britain, Germany, Austro-Hungary and France. By these treaties Japan accords to each of these countries special reduced duties on special specified articles, not a general reduction, but special specified duties on special articles. Each of these treaties contains a most favoured nation clause.

Mr. R. L. BORDEN. Is that the treaty of 1894?

Mr. FISHER. Yes. Each of these treaties contains most favoured nation clauses. These other treaties were negotiated within a short time of the ratification of the treaty with Great Britain. They were all concluded within a very short time of each other and we may group them so far as time and their characteristics are concerned. The consequence of the most favoured nation clause is that each of these countries obtains the greatest advantage which is given to any one of them by the specific section of each treaty. In addition to that Japan has commercial treaties of a general character with, I think, seventeen other countries, including practically all the commercial nations of the world, and in each of

these treaties, while there is no specified reduction of the duty on any specified article, there is a most favoured nation clause with the result that practically Japan is giving to nearly all the commercial nations of the world, either under these special conventions or under their general treaties, the lowest duty which she gives to any country on certain specified articles and only on these certain specified articles. The list of these articles is not a very large one, and it includes chiefly manufactured articles having been made out at the instance of those great manufacturing countries, Great Britain, Germany, Austro-Hungary and France. It does, however, include some articles besides manufactured goods in which we in Canada might enjoy a trade with Japan if we had the same advantages. I may say here in a general way that the difference between the reduced duty and the general duty is as two to three; that is the reduced duties in a general way are about two-thirds of the general duties and in many instances they are 10 per cent or thereabouts ad valorem in comparison with about 15 per cent ad valorem of a general duty.

Mr. SAM. HUGHES. Is there not something in connection with the patent laws of the two countries? For instance, a person from the United States gets more favoured treatment for his patent and the manufacturer of his patent gets more favoured treatment for the articles which he manufactures than if they came from Canada. Is there not something of that kind?

Mr. FISHER. There is also a clause in the treaty to which I will allude later on after having dealt with the customs matter. I am speaking of the customs part of the treaty alone. As Canada has not adhered to this treaty and as the United States especially has one of the commercial treaties with Japan our goods in a general way—

Mr. FOSTER. Not one of the special treaties?

Mr. FISHER. No, but one of the general treaties containing the most favoured nation clause and consequently the United States has all the advantages for her goods going into Japan that any of the special treaties give and the best advantages which any of them give. The result is, that, comparing the treatment of our goods with American goods in the Japanese market on this particular list of articles and only on this particular list of articles, Canadian goods have to pay, roughly speaking, an average of 15 per cent while American goods only pay, roughly speaking, an average of 10 per cent, which is the duty collected on German and other goods.

Mr. FOSTER. Do I properly understand the hon. minister? The United States is not