

into power, and to-morrow our goods are excluded. But the policy of England is continuous."

Mr. Thynne admitted the impossibility for the present of such a change in the policy of Great Britain, and pointed out that in that case the question was one as to "entering into reciprocal treaties with dependencies who are more or less unlike in their productions."

Mr. Foster agreed that at present no commercial reciprocity treaty could be expected with Great Britain, but suggested that if the time should come when England placed duties on goods, an advantage of 5 per cent might be given to food stuffs from the Colonies in return for a similar concession to manufacturers in England.

Proceeding to the second resolution, it was understood that the ordinary "most-favoured nation" clause in various treaties between Great Britain and foreign Powers would not preclude the conclusion of special preferential arrangements between the Colonies or between a colony and Great Britain. As against foreign Powers, in the absence of specific provision, the Empire is a whole or unit within which any fiscal arrangements may be made without infringing the concession involved in that clause.

There are, however, specific references to British Colonies in two treaties—that with Belgium of the 23rd of July, 1862, and that with the German Zollverein of the 30th of May, 1865—which place these two treaties on a special footing. The construction of these references has been questioned, but I feel satisfied that they do not preclude the making of preferential arrangements between the Colonies themselves without the special advantages accorded by one to the other being extended to Belgium and the German Zollverein.*

It seems, however, clear that they would have the effect of preventing Great Britain herself from sharing in any benefit which might be given by one colony to another, though they would not prevent Great Britain from giving specially advantageous terms to the Colonies. Great Britain has, in fact, by these treaties bargained away her power to receive better terms in her Colonies, in respect of her exports to them than are given to Belgium and the German Zollverein.

Now, if the advantages of colonial preferential arrangements are not wanted by Great Britain, that is, if she is willing to allow differential conventions between her Colonies without demanding for herself the benefit of the minimum tariff, it does not seem necessary to take any action with regard to these treaties. But if these advantages are desired, it would be necessary to consider whether effect could be given to the second resolution. The resolution was obviously prompted by consideration for the interests of the Mother Country.

This point was put forcibly by Mr. Fitzgerald in the following words: "I think I may assume that that treaty would, while in existence, justify Belgium and Germany in demanding the right to enjoy every concession granted between either of these dependencies and Great Britain. If we were to ask our Parliament to consent to a modification which would enable

*Sir E. Grey stated in the House of Commons, on 30th July, the general effect of the stipulations of the treaties to be: 1. That they do not prevent differential treatment by the United Kingdom in favour of British Colonies. 2. They do prevent differential treatment by British Colonies in favour of the United Kingdom. 3. They do not prevent differential treatment by British Colonies in favour of each other.