

any new treaty that might be negotiated, and considering the small amount of their trade, it would be very difficult for them, if in an isolated position, to secure advantageous terms except by very heavy concessions. In this connection, it might be expedient for the self-governing colonies themselves to consider how much their interests are involved. A large item in the exports from the United Kingdom to Belgium and Germany is "wool," about £8,000,000 in value, largely, there is no doubt, colonial wool. Other articles of colonial export also find a market in Belgium and Germany.

52. In these circumstances, as preferential arrangements in which this country should be included, cannot, under present conditions, be considered a matter of practical politics, and as the clauses in the treaties do not, in the view of Her Majesty's Government, prevent inter-colonial preferential arrangements, Her Majesty's Government consider that it would not be prudent to contemplate the denunciation of the treaties at the present moment, bearing in mind that this could always be done on twelve months' notice, if circumstances should hereafter show it to be desirable.

53. In conclusion, it only remains for me to state that in the consideration of these questions the discussions at the Conference have been of the greatest service to Her Majesty's Government. The discussion throughout was maintained at a high level, and the speeches were eminently practical and to the point, and I have observed with pleasure the unanimity which prevailed as to the importance and desirability in principle, not only of preserving but of strengthening the bonds of sentiment, sympathy and mutual benefit which now unite the Empire. This was one of the main objects for which the Conference was summoned, and Her Majesty's Government are convinced that the result has been a substantial and permanent contribution to the establishment and maintenance of that mutual understanding and sympathy without which that Imperial union which we prize so highly can scarcely hope to be permanent.

I have, &c.,                      RIPON.

## No. II.

THE MARQUESS OF RIPON TO THE GOVERNOR-GENERAL OF CANADA, THE GOVERNORS OF THE AUSTRALASIAN COLONIES (EXCEPT WESTERN AUSTRALIA), AND THE GOVERNOR OF THE CAPE.

DOWNING STREET, June 28, 1895.

MY LORD,—

SIR,—In my despatch of even date,\* I communicated to you an expression of the views of Her Majesty's Government on the Resolutions passed by the Colonial Conference at Ottawa in regard to the trade relations of the Empire.

2. In the course of the discussions there, a question of considerable importance was more than once alluded to, namely, the question of commercial agreements between Her Majesty's Government and foreign powers in regard to their trade with the Colonies.

Such conventions have already been made on more than one occasion in regard to the trade of Her Majesty's Dominions in North America with the United States of America, and recently with the Government of France

\*No. 1.