

would deprive Her Majesty's Government of any opportunity of considering such agreements; and unless, therefore, the articles to which the power should apply and the extent to which remission might be granted were specified, Her Majesty's Government would have grave doubts as to the propriety of advising Her Majesty to assent to such an Act. They trust, therefore, that the colonial Legislatures will not seek to divest themselves in any measure of their power to fix the amount of their taxation, nor to confer on the Executive a power the exercise of which, without the fullest deliberation, might inadvertently give rise to serious complications, not only with other colonies, but with foreign Powers.

37. The second resolution states: "That this Conference is of opinion that
" any provisions in existing treaties between Great Britain and any foreign
" Power which prevent the self-governing dependencies of the Empire from
" entering into agreements of commercial reciprocity with each other or with
" Great Britain should be removed." The treaties aimed at by this resolution are the commercial treaties between this country and Germany and Belgium.

38. The particular articles of these treaties which might give rise to difficulties in regard to preferential arrangements between the various portions of the British Empire are as follows:—

BELGIUM.—ARTICLE XV.

" Articles the produce or manufac-
" tures of Belgium shall not be sub-
" ject in the British colonies to other
" or higher duties than those which
" are or may be imposed upon simi-
" lar articles of British origin."

" Les produits d'origine ou de
" manufacture belge ne seront pas
" grevés dans les Colonies Britan-
" niques d'autres ou de plus forts
" droits que ceux qui frappent ou
" frapperont les produits similaires
" originaires de la Grand Bretagne."

The British and French texts are both given, as there is a shade of distinction in the translation of the word "British."

ZOLLVEREIN (German Empire).—ARTICLE VII.

" The stipulations of the preceding Articles I. to VI." (they contain the whole treaty) "shall also be applied to the colonies and foreign possessions of
" Her Britannic Majesty. In those colonies and possessions the produce of the
" States of the Zollverein shall not be subject to any higher or other import
" duties than the produce of the United Kingdom of Great Britain and Ireland,
" or of any other country of the like kind; nor shall the exportation from those
" colonies or possessions to the Zollverein be subject to any higher or other
" duties than the exportation to the United Kingdom of Great Britain and
" Ireland."

39. It is to be observed that any advantages which might be granted by Great Britain to either Belgium or Germany in virtue of these particular stipulations must also be extended to various other countries under the ordinary most-favoured-nation clauses in existing treaties. If, however, Article XV. of the Belgium treaty, and Article VII. of the Zollverein treaty, were no longer in force, there are no stipulations of a similar character in any other treaty concluded by this country and now in force which could give rise to the same difficulties.

40. The general effect of these stipulations in regard to import duties, as understood by Her Majesty's Government, is stated in the note on page 5 of Lord Jersey's report as follows:—

- (1.) They do not prevent differential treatment by the United Kingdom in favour of British colonies.
- (2.) They do not prevent differential treatment by British colonies in favour of each other.
- (3.) They do prevent differential treatment by British colonies in favour of the United Kingdom.

41. In regard to the first of the foregoing propositions, I may observe that, as will be gathered from what has been said above, the question of admitting colonial produce into the United Kingdom on more favourable terms than the produce of