SIR,-Foreign Office, 20th October, 1911.

The treaty which was concluded between the United Kingdom and Italy on the 15th June, 1883, is, as you are aware, binding not only on the United Kingdom, but also on the following self-governing dominions of the Empire, viz.: The Commonwealth of Australia, the Dominion of New Zealand, the Union of South Africa, and also on the Colony of Newfoundland. These Governments adhered to it specially, but they do not appear to have the power of withdrawing from it

apart from the United Kingdom.

In my despatch, No. 47—Commercial, of the 30th November, 1909, I requested Your Excellency to inquire of the Italian Government whether they would be prepared to agree to Australia withdrawing from the treaty, and you will recollect that the Italian Government replied that they could not recognize such a withdrawal as possible in view of the wording of the treaty, and that it must remain dependent on the denunciation of the treaty by Great Britain, which was, as the Italian Minister for Foreign Affairs justly remarked, undesirable in the interests of both countries. Since then His Majesty's Government has had reason to study the whole question of the obligations of the self-governing dominions of the Empire under existing commercial treaties, and more par-

ticularly under the Italian treaty of 1883.

His Majesty's Government, I should explain, have for some years past always, whenever concluding commercial treaties with foreign Powers, provided both for the separate adhesion and the separate withdrawal of the various dominions and colonies. In these cases, therefore, the dominions can be set free whenever they so desire. It is only from the older treaties that the dominions are unable to withdraw separately. At the Imperial Conference which was recently held in London, and which was attended by the Prime Ministers of the self-governing dominions—viz., Canada, Australia, New Zealand, the Union of South Africa, and the Colony of Newfoundland—a resolution was unanimously passed by the Conference requesting His Majesty's Government to open negotiations with the several foreign Governments having commercial treaties which apply to the oversea dominions, with a view to securing liberty for any of these dominions which may so desire to withdraw from the operation of the treaty without impairing the treaty as respects the rest of the Empire.

His Majesty's Government are naturally, in the common interests of the United Kingdom and Italy, most unwilling to denounce the existing treaty entirely, and they therefore recur to the suggestion that it may be possible, as an alternative, to arrange to give the self-governing dominions of the Empire that power of independent action which they enjoy under all the treaties concluded in recent years by His Majesty's Government. The simplest method of attaining this end would probably be found in the signing of the protocol on the lines of the draft herewith enclosed. Such protocols have, as you are doubtless aware, been already concluded with certain

countries.

In the case of such dominions as may exercise the suggested right of withdrawal from their present obligations under the treaty, His Majesty's Government will, of course, if it is desired, consider in consultation with them the negotiation of a fresh agreement to take the place of the present treaty. In fact, a convention regulating the commercial relations between a single dominion of the Empire on the one hand and a foreign Power on the other would be no new departure, for His Majesty has already, at the request of the Canadian Government, concluded a commercial convention with France, and informal arrangements have been made with other countries, including Italy.

I request that you will explain to the Italian Government the reasons which have prompted His Majesty's Government to raise this question again, and that you will at the same time inquire

of them whether they are prepared to sign a protocol to the proposed effect.

I am, &c.,

His Excellency the Right Hon. Sir J. Rennell Rodd, G.C.V.O., K.C.M.G.

No. .—Commercial.

SIR, Foreign Office, October, 1911. The treaties [treaty] which were [was] concluded between Great Britain and are [is], as you are doubtless aware, binding not only on the United Kingdom, but also on all His Majesty's dominions.

There are several such commercial treaties still in force. Some of them are of very ancient date, such as the Danish and earlier Swedish treaties, and were concluded at a time when His Majesty's present self-governing dominions had not been settled or acquired, and in some cases not even discovered. Even in the case of the more recent treaties the rapid economic and political development which has characterized all the self-governing dominions during the last twenty years or so has completely transformed the conditions prevailing at the time of their conclusion.

It is evident that when they were negotiated the elementary stage of the economic development of the colonies, and their complete dependence on the Mother-country, made it unnecessary to stipulate for any special provisions on their behalf, such, for instance, as the power of separate adhesion and withdrawal. Since then, however, the colonies possessing a large white population have, in accordance with the usual British constitutional practice, been granted complete selfgovernment, which confers full power to make laws for the peace, order, and good government of the colony, including the right of fixing the Customs tariff and other matters affecting trade and revenue. The Governments of the self-governing dominions consider, therefore, that, in order that they may have the complete liberty of action which their self-government implies, the time has now come to revise those treaties regulating their commercial relations which have not been applied to them by their own consent.