2. M. Kato was willing to admit that, from a material point of view, there was no very great grievance of which Japan could complain.

3. The actual immigration was very small, and the class of Japanese who chiefly desired to enter the Australian Colonies were exempted by special pro-

vision from the prohibitions of the colonial Bills.

4. But the point which has caused a painful feeling in Japan was not that the operation of the prohibition would be such as to exclude a certain number of Japanese from immigrating into Australasia, but that Japan should be spoken of in formal documents, such as the colonial Acts, as if the Japanese were on the same level of morality and civilisation as Chinese or other less-advanced populations of Asia.

5. This was a matter of sentiment, and the slur cast upon the Japanese nationality was keenly felt by the Government of Japan. The relief which they desired was not the modification of the laws by which a certain part of the Japanese population was excluded from Australia and New Zealand, but the abandonment of the language which classed them with others to whom they bore no real similarity, and inflicted upon the nation an insult which was not

deserved.

- 6. M. Kato maintained that the provision in the Act passed by the Colony of Natal, that immigrants should write out a certificate in some European language, would practically effect the object of the colonies, as only educated Japanese would be able to pass the test, and of these very few would wish to emigrate. This result, he added, would even more certainly be obtained with regard to other Asiatic countries, where general education is less advanced than in Japan, and frauds could be prevented by more or less frequent changes in the certificate.
- 7. These representations deserve the careful consideration of your Govern-As I pointed out at the conferences with the Premiers, the provisions of the Natal Act would exclude all undesirable persons, without casting a slur on any race or colour.
- 8. If the state of feeling in the colonies precludes the possibility of adopting a measure similar to the Natal Act, I would earnestly request your Ministers to consider whether, so far as the British Indian subjects and Japanese are concerned, the exclusion desired might not be obtained by a general test such as is provided by that Act. I have, &c.,

J. CHAMBERLAIN.

Governor the Right Hon. the Earl of Ranfurly, K.C.M.G., &c.

No. 43.

(No. 66.)

My Lord,-

Downing Street, 2nd November, 1897. You will have seen by blue-book (C-8449) that the replies to my circular despatch on the subject of trade with the colonies have now all been A.-2, 1896. published for Parliament.

I have waited till this was done to request you to be good enough to thank your Ministers for the trouble they took in replying to my request for information on this important subject.

The excellence of the elaborated report from the colony under your govern-

ment has been universally recognised in England.

It is probable that I may address you later on the subject of collection of Those which have been sent from some of the colonies have attracted a great deal of notice, but have also been subjected to much criticism, which requires full consideration. I have, &c.,

J. CHAMBERLAIN.