

Protocol No. 5 was signed.

The President laid before the Conference a Memorandum concerning the proposed Tariff, copies of which had been furnished to the Delegates of the Treaty Powers at the preceding meeting. This memorandum is annexed to the present Protocol.

It was agreed that the subjects to be considered at the ensuing meeting should be the Tariff, or in case the Delegates of the Treaty Powers should not be prepared to continue its discussion, then the question of Harbour Light and Tonnage Dues (Group VIII) and the provision to be made by the Treaty Powers for the offence of joining in war, insurrection or rebellion against the Emperor of Japan, already referred to in Protocol No. 5.

The meeting separated at a quarter to six.

REMARKS

ON

THE DRAFT TARIFF.

BLANKETS.

Rate of duty 12½ per cent.

These are principally used by the Army and Navy; they are employed extensively as travelling and jinrikisha rugs, and also as rugs for sitting on. Owing to their widely extended utility, and to the fact that there is no substitute for them in Japan, an additional duty of less than 10 per cent is unlikely to decrease the importation.

CANVAS.

Rate of duty 10 per cent.

Canvas is made in Japan, but not of a very strong texture, and it is only used for the sails of Japanese junks. In consequence of the greatly increasing number of vessels built on foreign models, the importation of foreign canvas has become necessary, and hence an additional duty of 5 per cent is not calculated to cause any decrease in the consumption of this article.

CLOCKS AND WATCHES.

Rate of duty 20 per cent.

There are no good watch-makers in Japan, and although a few clocks are made by the Japanese, being inferior to those of foreign manufacture, it is quite impossible for them to compete with the foreign manufacture. Watches are not manufactured in Japan.

Clocks and watches are moreover used by the middle and upper classes alone.

For these reasons it is believed that the addition of another 15 per cent to the existing duty of 5 per cent will not affect the importation of the articles classed under this head.

CORALS.

Rate of duty 25 per cent.

The coral of Japanese production obtained from the province of Tosa is far from sufficient to supply the extensive demand, while it is much inferior in quality to the foreign coral, the importation of which is increasing, as its colour is more in accordance with Japanese taste. Coral is manufactured into jewelry and ornaments for women, and is used by the upper and middle classes. An increase of duty of 20 per cent. is therefore not likely to cause a decrease in the consumption.

SHIRTINGS, GRAY.

Rate of duty 10 per cent.

The consumption of gray shirtings of all qualities is very extensive, as they are used by nearly all classes for linings and for many other purposes. Home-made

cotton fabrics formerly used for the same purposes are now almost entirely superseded by foreign shirtings on account of the high price of raw materials and the coarse appearance of the domestic cotton fabrics. The average price of Japanese cotton cloth and foreign shirtings during 1880 was as follows:—

	Price in paper currency.
Foreign shirtings. per piece 31.25 ft. long 15 in. wide	0.327 yen
<i>Kawachi-momen.</i> (native manufacture) per piece do.	0.550 „
or 68.2 per cent dearer than foreign shirtings.	
Foreign shirtings. per piece 33 ft. long 13.8 in. wide	0.318 „
<i>Sarashi-momen.</i> (bleached cotton) per piece do.	0.420 „
or 32.1 per cent dearer than foreign shirtings.	
Foreign shirtings. per piece 33. ft. long 13.8 in. wide	0.318 „
<i>Mikawa-momen.</i> per piece do.	0.510 „
or 60.38 per cent dearer than foreign shirtings.	

It is evident therefore that an additional duty of 5 per cent will not in the least affect the consumption of imported shirtings.

SHIRTINGS, DYED.

Rate of duty 10 per cent.

This article is used for the same purposes as gray shirtings. Dyeing is not expensive in foreign countries, where this industry has attained a high degree of development, but such is not the case in Japan. Relatively speaking, therefore, the domestic article is higher in price than the foreign fabric. Hence an additional duty of 5 per cent will not affect the demand for this article.

The figures given under the heading of gray shirtings show that a great difference exists between the price of the imported and native fabrics, but there is nevertheless some demand for the Japanese article from the fact that this article is considered more durable and is found to be better suited for dyeing, but the quantity brought to market is insignificant, and therefore an additional 5 per cent duty will not affect the demand for the foreign article.

SHIRTINGS, TWILLED.

Rate of duty 10 per cent.

These shirtings are used for under-shirts, curtains and blinds, socks, wrappers, &c., and the only article of native production that can compete with them is *Unsaï-momen*, which is however dearer in proportion.

	Price in Paper currency.
Twilled shirtings per piece 31.3 ft. long 1.25 ft. wide.....	0.531 yen
<i>Unsaï-momen.</i> per piece do.	1.48 „
or 178.72 per cent dearer than twilled shirtings.*	

VICTORIA LAWNS.

Rate of duty 10 per cent.

This article is principally used as a substitute for the bleached hemp cloth of domestic manufacture, but is much finer and cheaper. The comparison of values is as follows:—

	Price in Paper currency.
Victoria lawns per piece 36.25 ft. long 14.4 in. wide	0.399 yen
<i>Nara-sarashi.</i> (Bleached hemp cloth) per piece do.	1.917 „

The latter exceeds the former by more than 380.45 per cent. The Japanese article is however somewhat more durable.

T-CLOTHS.

Rate of duty 10 per cent.

The remarks made under the heading of "shirtings, gray" also apply here.

COTTON VELVETS.

Rate of duty 10 per cent.

This article is used generally for girdles, collars of dresses, cushions, &c. In Japan there is no corresponding fabric except silk velvet, which is so much dearer than cotton velvet that there is absolutely no comparison between the prices of the two articles.

COTTON SATINS.

Rate of duty 10 per cent.

No similar article is manufactured in Japan. Silk satins are made, but as they are far more expensive, no comparison can be made between the two. It is therefore clear that an additional duty of 5 per cent will not affect the consumption.

TURKEY REDS.

Rate of duty 10 per cent.

This is used for the same purposes as the Japanese *beni-momen*; the comparison between them is as follows:—

* The above mentioned values and those to be found hereinafter are the average prices of articles respectively during the year 1880, if not otherwise intioned.

Turkey Reds.	Price in Paper currency.
per piece 32 ft. long 1.13 ft. wide.....	0.522 yen
<i>Beni-momen.</i>	
per piece do.	0.874 "
or 67.43 per cent dearer than Turkey reds.	

PRINTED COTTON AND CHINTZES.

Rate of duty 10 per cent.

No article similar to this is manufactured in Japan, and an increase of 5 per cent in the duty will therefore not affect the consumption.

COTTON GOODS, NOT SPECIFIED.

Rate of duty 10 per cent.

Comparison with domestic articles is impossible, as several fabrics come under this heading.

COTTON, RAW.

Rate of duty 5 per cent.

This article is used for stuffing garments and bed quilts etc. and also for the manufacture of cotton goods. The cotton of home production is not sufficient to supply the extensive demand, while its price is much higher than that of the imported cotton, as shown below.

Foreign cotton.	Price in paper currency
per picul.....	16.113 yen
Domestic cotton.	
per picul.....	24.691 "
or 53.24 per cent dearer than imported cotton. The country people however maintain that Japanese cotton lasts longer.	

DYE STUFFS.

Rate of duty 5 and 10 per cent.

Many articles used for dyeing purposes are classed under this head, so that it is impossible to compare each imported article with a corresponding Japanese article, while most of them are unrepresented in Japan. The increase of duty of 5 per cent will, it is believed, not affect the consumption of these articles.

IRON, MANUFACTURED.

Rate of duty 7½ per cent.

The home production of this article is insignificant, and does not meet the demand. It has been discovered that it requires a much greater amount of labour to work up Japanese iron into a desired form, than does foreign iron.

The price of domestic manufactured iron is much higher than that of the imported article owing to a want of skill in its manufacture; hence the demand for the former is far below that for imported iron. The comparison of prices is as follows:—

Foreign iron in bar.	Price in Paper currency.
per picul.....	6.240 yen
Japanese iron in bar.	
per picul.....	7.902 "
or 26.63 per cent dearer than foreign iron. An additional duty of 2½ per cent cannot, it is believed, interfere with the importation.	

IRON WARE.

Rate of duty 20 per cent.

This heading includes, among other things, iron safes, grates, stoves, cooking utensils, smoothing irons and other domestic utensils and implements. Though there are a few hardware factories in Japan, their products are not by any means sufficient to meet the demand, while they are at the same time much dearer than foreign manufactures, owing to the want of both skill and the necessary machinery. In consequence of the increasing adoption of the European style of house building and mode of living the demand for this class of articles is gradually increasing, and it is therefore believed that an additional duty of 15 per cent will not affect importation.

LEAD, PIG.

Rate of duty same as under the existing Tariff

LEATHER.

Rate of duty 10 and 15 per cent.

The greater proportion of the importations under this heading consists of sole leather, which is chiefly used by the Army and Navy, and as it is an indispensable article an additional duty of 5 or 10 per cent will be of no consequence.

BEER, WINE AND OTHER LIQUORS.

Rate of duty 25 per cent.

In other countries it is customary to make subdivisions of this group and tax them generally in proportion to their alcoholic contents. As this would not be worth while in Japan, considering the small amount imported, an uniform rate has been adopted. In foreign countries the duties on these articles are generally very high, and as in Japan they are consumed by the highest classes alone, 25 per cent will make no difference to them; on the contrary the growing fashion of living in foreign style renders it probable that consumption will increase.

MACHINERY.

Rate of duty same as under the existing Tariff.

MEDICINES.

Rate of duty same as under the existing Tariff.

KEROSENE OIL.

Rate of duty 20 per cent.

The home production of kerosene oil is of no consequence whatever, and its consumption is restricted to localities of small extent, (in the provinces of Echigo, Shinano and Mikawa) while in all other parts of the Empire colza oil and imported kerosene oil are used. The average annual value of this article imported during the last five financial years amounts to 1,290,000 yen. The illuminating power of colza oil is far inferior to that of kerosene, and the price of the former is moreover much higher than that of the latter.

	Price in Paper currency
Imported kerosene oil.	
per to (4 gallons)	1.060 yen
Japanese colza oil.	
per to (4 gallons)	2.443 „

or 130.47 per cent dearer than kerosene oil. An increase in duty of 15 per cent cannot therefore affect consumption.

PROVISIONS.

Rate of duty 5 per cent.

SAFFLOWER.

Rate of duty same as under the existing Tariff.

SILK AND COTTON MIXTURES.

Rate of duty 20 per cent.

General fabrics come under this head, so that it is impossible to make any comparison with Japanese articles.

SUGAR.

Rate of duty 25 per cent.

This is used in large quantities as an article of food, in the manufacture of confectionery and for other like purposes, and it must therefore be considered a necessity. The amount imported is increasing, and the annual average value of the import of this article during the last five financial years amounted to the sum of upwards of yen 3,000,000, or more than one tenth of the aggregate amount of the value of all imports. Thus it will be seen to be one of the principal imports into Japan.

The quantity of sugar of home production in 1880 was 65,444,529 catties.

The average quantity of sugar imported for the last five financial years was 59,765,852 catties.

In Japan sugar is chiefly produced in the island of Shikoku and the province of Satsuma and the neighbouring islands. The production in other parts of the country is quite insignificant, as the soil and climate of Japan are more suited to the cultivation of rice, barley and other cereals than to that of the sugar cane and beet-root. The quantity of sugar, both foreign and home grown, consumed at present by the Japanese people is only 3.647 catties per head of the population, or very much less than the quantity consumed in Europe and America. (See table A) Under these circumstances there can be no diminution in the importation of the article under an additional duty of 20 per cent.

From the foregoing statement it will be seen that the rate of consumption is comparatively small, while the importation of foreign sugar is annually increasing, as is shown in the annexed table B, which gives the quantity of sugar imported during the last 5 financial years.

TABLE A,
showing the consumption of sugar per head
in each of the under-mentioned countries.

Country.	Consumption per head.
Australia.....	64.43 catties
Great Britain.....	47.10 "
British America.....	38.55 "
United States.....	28.35 "
Denmark.....	24.98 "
Holland	18.77 "
Belgium	17.39 "
France.....	11.63 "
Sweden	12.68 "
Germany.....	12.45 "
Switzerland.....	11.93 "
Austria-Hungary	11.33 "
Norway	9.53 "
Portugal	6.30 "
Brazil	6.00 "
Greece.....	4.95 "
Russia and Poland	4.05 "
Peru	4.21 "
Turkey	2.85 "
Italy	2.70 "
Spain	0.41 "

TABLE B,
showing the gradual increase in the importation of sugar
for the 5 financial years ending June 1881.

Description	Year.	Value.	Increase.	Decrease.
		Yen	Yen	Yen
White sugar.	1876	588,835		
	1877	726,091	137,256	
	1878	704,891	21,200
	1879	1,012,778	307,887	
	1880	1,116,478	103,700	
	Total	4,149,073		
Brown sugar.	1876	2,159,868		
	1877	2,261,247	101,379	
	1878	2,121,942	139,305
	1879	2,442,948	321,006	
	1880	2,465,599	22,651	
	Total	11,451,604		

UMBRELLA FRAMES.

Rate of duty 10 per cent.

Umbrellas of the European pattern are used by all classes; they are far more convenient to carry and much more durable than paper umbrellas with bamboo frames. It is believed that an increase of 5 per cent in the price of umbrella frames will not in the least affect the demand.

STEAM VESSELS.

Rate of duty 3 per cent.

The art of shipbuilding is yet in its infancy in Japan, and a slight increase of duty will not affect the importation.

WATCHES.

See under Clocks and Watches.

WOOLLEN CLOTHS.

Rate of duty 12½ per cent.

There is only one woollen factory established in Tokio. Its manufactures are however much inferior to foreign goods, owing to the absence of skilled labour, while they are also dearer in price, as the wool used is not of home production. Cloths made at this factory supply but a very small part of the demand. Imported woollen cloths are exclusively used by the Army and Navy, Government officials and the higher classes, but as the foreign mode of dress is now being more and more adopted by the upper classes, the importation will certainly not decrease. It is safe to assume therefore that an increase of price amounting to less than 10 per cent will not cause a decrease in the consumption.

LASTINGS.

Rate of duty 12½ per cent.

There is no article in Japan corresponding to this.

MOUSSELINE DE LAINE.

Rate of duty 12½ per cent.

There are no similar woollen fabrics in Japan. This article is very extensively used as a substitute for silk stuffs of all sorts, especially for *yuzen-zome* and *itajime*, even by the lower classes, on account of its low price and superior appearance. The average annual value of this article imported for the last 5 financial years reached the sum of 2,870,000 yen. In the absence of this commodity, it

would be necessary to use in its stead the more expensive silk crape. An additional duty of 7½ per cent will not, it is believed, in the least affect the consumption of this article.

ORLEANS.

Rate of duty 12½ per cent.

There is nothing to substitute for this article, and the increase of duty will not affect the importation.

ITALIAN CLOTHS.

Rate of duty 12½ per cent.

This article is chiefly used in place of silk fabrics for the linings of clothes, collars, borders of sleeves, &c. The comparison of the prices is as follows:—

Italian cloths	Price in paper currency.
per piece 33.75 ft. long 1.2 ft. wide	2.111 yen
Japanese lining silk.	
per piece do	3.25 „
or 53.96 per cent dearer than Italian cloths.	

WOOLLEN AND COTTON GOODS, NOT SPECIFIED.

Rate of duty 12½ per cent.

There is no similar article in Japan.

COTTON YARN.

Rate of duty 10 per cent.

This is one of the principal commodities imported into Japan, and the demand is enormously great, because it is not only more even and smooth, and better fitted for the manufacture of the finer sorts of cotton fabrics, but also cheaper than the domestic hand-made yarns which were formerly in use.

The average annual value of this import during the last 5 financial years amounted to above yen 6,000,000, or nearly one fifth of the aggregate value of the whole import trade.

Imported yarns are now used almost exclusively in all cotton cloths and silk and cotton mixtures manufactured in this country.

The supply of raw cotton being insufficient and the price of hand-made yarn being high, while the wages of labour are increasing, it is considered more advantageous to buy and use foreign yarns.

The comparative value of foreign and domestic raw cotton is as follows:—

AVERAGE MARKET VALUE IN TOKIO IN 1881.

	Price in paper currency.
Foreign raw cotton. per picul.....	18.45 yen
Domestic raw cotton. per picul.....	33.76 „

The cost of the hand-made yarns manufactured from domestic raw cotton is as follows:—

	in paper currency
Price of raw cotton. per picul.....	33.76 yen
Cost of labour. per picul.....	44.40 „

One woman receiving wages at the rate of 10 *sen* per day can twist 36 *momme* of cotton. It requires 444 days' labour to spin one picul of cotton. Accordingly the native hand-made yarns cost,

	in paper currency
per picul.....	78.16 yen
and foreign cotton yarn. per picul.....	53.04 „
or 47.36 per cent cheaper than the domestic yarns.	

The above comparison will show that domestic cotton yarns cannot compete with foreign yarns, unless the cost of production and manufacture of the former is greatly reduced. This cannot, however, be expected, because the soil and climate of Japan are more suited to the production of cereals, such as rice and wheat, as well as of tea and silk, than to the raising of cotton.

For these reasons, it is confidently believed that an additional duty of 5 per cent can be levied upon cotton yarn without diminishing the consumption of the same.

COAL,

PEAS AND BEANS,

RICE,

TEA LEAD.

These are articles of necessity, and a duty of 5 per cent will, it is believed, not affect the demand.

PROTOCOL No. 7.

MEETING OF APRIL 5, 1882.

Present:

- For Japan,
Mr. Inouye and Mr. Shioda;
- For Austria-Hungary,
The Chevalier Hoffer von Hoffenfels;
- For Belgium,
Mr. Scribe;
- For France,
Mr. Guillaume de Roquette;
- For Germany and Switzerland,
Mr. von Eisendecker; and as Second Delegate for Germany, Mr. Zappe;
- For Great Britain,
Sir Harry S. Parkes;
- For Italy,
The Chevalier E. Martin Lanciarezi;
- For the Netherlands, for Sweden and Norway and for Denmark,
Mr. van der Pot;
- For Russia,
Baron Rosen;
- For Spain,
The Chevalier Don Luis del Castillo y Trigueros;
- For the United States,
The Honourable John, A. Bingham.

Mr. Tony Conte, being about to take charge of French interests as *Chargé d'Affaires*, was also present.

Protocol No. 6 was signed.

Mr. Inouye observed that the exchange of views that had taken place since the present Conference began had so fully demonstrated the good feeling which animated the governments represented, and their sincere desire to arrive at a result which should be equally advantageous to all parties, that he felt encouraged to offer some observations, before proceeding with the discussion of the Tariff, upon the concessions which the Japanese Government proposed to make with the object of extending the relations of Japan with foreign nations. His desire to do this without delay was increased by the knowledge that the Minister of the French Republic was shortly to take his departure, and he was anxious that the latter on his return to France should be enabled to acquaint his government with the views of the Japanese