

commercial one. The Americans said themselves that they desired us to be on such terms with them, that more commercial intercourse would follow. They did not desire a suspension of trade with us. If then we could shew them that the trade was not of such magnitude as that its interruption would produce a complete change in our hopes and aspirations and render us willing to abandon our whole future we should remove one of the greatest obstacles—the re-establishment of intimate trade relations. (Hear, hear.) Again it was clear another class of people we had to meet was honestly convinced that the trade under the treaty was more advantageous to Canada than to the United States; so advantageous indeed to Canada that we should be willing to make any sacrifice in a commercial sense to retain it. Now, it was not a good way to enter into a bargain with the United States by laying down our hands and saying, we must concede every thing they asked. He contended that this was not the position of Canada. He admitted that the treaty was important; that there were important interests which would suffer if it were interfered with, but he declared they were not so important that we should give up everything, in a commercial and financial sense, to have it renewed. (Hear.) We were called on by the Detroit Convention to enlarge our canals, to give them certain assurance with regard to the use of those canals, also to alter our customs and other duties in the sense which they thought would be more advantageous to the manufacturing interests, than at present. Now we were prepared to enter into discussion on all these points. We said we were satisfied with the treaty though it was not so advantageous for us as we could wish, and ask them if they did not desire an absolute suspension of commercial intercourse to tell us the points which, in their opinion, demanded modification. Now, if taking the Detroit Convention as an exponent of the views of the United States, we saw that the enlargement of our Canals was one of the points urged by them. The position of the Government on this subject was clearly and intelligibly stated the other night. We have not trade ourselves which requires such enlargement. No trade which of itself would justify us in enlarging these Canals; we could only be repaid for such improvements by obtaining American trade and making it pay tolls or otherwise contribute to our revenue. If then, the Americans don't want to have any trade with us, it would clearly be the greatest mistake in the world to enlarge our Canals; that should only be done in the event of the Americans desiring to send their produce by our routes. It was very well for them to ask us to enlarge our Canals so that they might have some check on the rates of tolls taken on the Erie Canal. All very well for them to demand the enlargement of our Canals, whether

they used them or not, but he thought that when they came to ask for it we ought very fairly to refer to some points which require to be altered in our interest. There was, for instance, the registration of shipping and the admission of our vessels to their coasting trade. The Government of Canada contended that the interests of the Maritime provinces should be identical with those of this country, but we should have to consider whether the facilities we were asked to furnish the North-west for reaching foreign markets were not of such value as to justify us in asking that our vessels should be admitted to a participation in their coasting trade. The registration of shipping was of great importance to the interests of the very place in which the House was now sitting.—It was to be hoped the American Government would take a different view in future from what they had taken heretofore. Large numbers of American ships had been transferred to English owners during the late war, and it would be very difficult, if he understood their law aright, to get their registers changed back again.

A VOICE—They can't do it.

Mr. GALT—Another point was this. It would be quite plain to any one who looked at what was passing in the United States that the question of their revenue had a most important bearing on our commercial relation with them. That country could not maintain very high duties in a variety of articles without a great deal of illicit trade being carried on from Canada to the United States.—He thought, and his colleagues too thought, that Canada ought to perform the part of a friendly neighboring country that it should, as far as possible, prevent their revenue being subjected to fraud; but it was at the same time clear that the check which could be exercised by us on smuggling from Canada into the U. S. was next to nothing. It must be checked from the American side, not from ours. There was only one way in which it could be effectually prevented, the selection of certain articles on which the duties should be so nearly assimilated as to prevent an inducement to illicit trade. The Americans had now a commission sitting to revise their revenue laws, which commission was invited by the Detroit Convention to confer with the Finance Ministers of the British Provinces. Any suggestion that might be made by them would be considered in the most friendly spirit, but if we were to be met by an absolute Chinese wall of restriction,—if there was to be no intercourse between the two countries,—well, then, let them look after their own frontier. We would have such duties as we please, and let them have the duties they liked. (Hear, hear.) He would now leave the question of our trade with the United States, and would like to be permitted to occupy the attention

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