

At present we are now manufacturers—in a general sense we merely produce raw material. By a slight modification of our excise system we can purchase from Great Britain all articles we do not manufacture cheaper than elsewhere. It is our interest to attract foreign capital for investment, and no surer means exist than an equitable fiscal system for that purpose.

Under the Reciprocity Treaty large quantities of our Agricultural produce passed into the hands of the people of the United States, who manufactured and sent it to Europe, or whatever was the most profitable market, thus securing from us the profits of carriage, manufacture and sale; and all this was obtained by the "*bonding system*," and the protection afforded their own forwarding interests by the retention of their exclusive privileges of navigation.

The people of these Provinces can easily acquire all the profits their neighbours reaped, but it must be by a system totally different from that hitherto pursued. We cannot afford the free navigation of our Canals to a people who will not award us an equivalent privilege.

True policy would dictate the opening of this carrying trade to competition, but if exclusiveness becomes the rule on one side it must necessarily follow on the other.

Our most material interests are bound*up in those of the Mother Country, but during the twelve years Reciprocity has been in operation, our trade with her has been gradually passing into the hands of the people of the United States, as the following tables will clearly show :—

Year.	Imports from Gt. Britain.	Imports from U. S.
1850.....	\$ 9,631,921.....	\$6,594,861
1851.....	12,048,133.....	8,365,765
1852.....	10,671,133.....	8,477,693
1853.....	18,489,121.....	11,782,147
Amount carried forward, ..		\$50,840,308
		\$35,220,466