

even on payment of toll, to enter an American canal. Even the express stipulation in the IV. Article of the Reciprocity Treaty, that "the Government of the United States further engages to urge upon the State Governments to secure to the subjects of Her Britannic Majesty, the use of the several State canals on the terms of equality with the inhabitants of the United States," has thus far remained a dead letter; and this Government is not even informed that the promised effort has been made. Foreign goods are constantly bought in the American markets, and brought into Canada, paying duty only on the original foreign invoice, but the American Customs Laws prevent any similar purchases being made in Canada. Taking the article of Tea, it has been always subjected to a duty of twenty per cent. when imported from Canada, though free if imported at the sea-board.\* Goods made in Canada have been invariably charged the high tariff duties of the United States, while similar articles have, until very recently, been admitted from thence into Canada at low duties, and under the existing Canadian Tariff are very greatly lower than the rates charged even before the imposition of the Morrill tariff.

The undersigned cannot permit the sentiments expressed in the Report under consideration to pass as indicating the uniform action of the United States Government towards this country, as the fact stands beyond dispute, that the course of that Government has been very far from liberal or reciprocal, with the exceptions of the permission to pass Goods through the States under bond, which was enacted, not out of deference to Canada, but to secure an important carrying trade to American canals, railroads, and forwarders; and in respect to the Reciprocity Treaty for which the United States received a full equivalent, not merely in the trade of Canada, but in the concessions made in regard to the Fisheries.

That the fact is as stated, may be judged by the admission of the Committee on Commerce, under the head p. 8, "complete Reciprocity recommended, &c.:"

"It will be impossible to say how far these opinions prevail in Canada, *until some more efficient indication on our part has been given of a desire to reciprocate this policy fully and cordially, and to liberate the people on both sides from the present oppressive restrictions.*"

The Committee lay some stress upon the fact that the United States, prior to the Treaty, levied \$1,300,000 on articles of Canadian "growth and produce," while Canada levied only \$200,000 on similar articles from the States. They seem to be aware that the natural inference would be, that their own people had, through free trade, saved \$1,300,000 annually, and should be pleased; and they, therefore, make the following remarks, under the head of—

"Value of Canadian Productions, increased twenty per cent. by the Treaty."

"Here the special operation of the laws of political economy is worthy of note. Superficially, it is said that the markets of Europe regulate

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\* By the Act of August, 1861, the discriminating duty appears to be reduced to ten per cent.