

“of retaliation which is beginning to engage attention in Canada, is
 “the closing up of all the canals to American vessels. Should this
 “policy be adopted, a most serious injury would be inflicted on the
 “trade of Chicago, Cleveland, and other lake ports, Oswego, Ogdens-
 “burgh and the New England railroad interest, Burlington Whitehall,
 “and the New York Northern Canal.

“The Canadian revenue derived from tolls would of course suffer,
 “but as that forms an insignificant portion of the resources of the
 “Province, the loss would cause no inconvenience. It is contended by
 “the advocates for this policy, that the western products which now find
 “their way by Oswego and Ogdensburg to New York and Boston, and
 “carried in American bottoms, would be diverted to the St. Lawrence,
 “and that the entire inland trade would be in British bottoms. It is
 “affirmed that the tonnage of Canada, with what could be spared from
 “Nova Scotia and New Brunswick, would very soon be sufficient for
 “the increased trade. I have stated the views which are entertained
 “very extensively by influential parties in Canada as to the future com-
 “mercial policy in the event of the rejection of the Reciprocity Bill by
 “Congress.

“I am, however, unauthorized to announce the views of the Cana-
 “dian Government; indeed, its policy has not yet been determined on.
 “Since the accession of the present administration to office in 1848,
 “they have been watching with anxiety the proceedings in Congress
 “regarding the Reciprocity Bill; and my object in visiting Washington
 “at this time was to ascertain, if possible, the probable fate of that
 “measure, as the Government must be prepared at the approaching ses-
 “sion to meet Parliament with a defined policy regarding our commer-
 “cial relations with the United States.

“Although I have probably exhausted your patience, I must make a
 “remark or two on the importance to the United States of the free navi-
 “gation of the St. Lawrence. It has been affirmed by the opponents of
 “the Reciprocity Bill, that inasmuch as a considerable quantity of
 “Canada flour is sent by the Oswego and Ogdensburg routes, the St.
 “Lawrence route must be much inferior. I believe on the other hand,
 “that the increasing trade of the west will afford business for all the
 “channels which are likely to be opened to it; and it surely will be an
 “immense advantage both to the shipping and agricultural interest of
 “the West to be allowed to participate in furnishing supplies to the
 “great depots of the fishing trade. The vessels on the western lakes
 “engaged in this commerce, and which are now idle during the winter
 “months, would obtain a share of the West India trade, for which they
 “are well suited.

“I may state a fact or two bearing on the importance of the St. Law-
 “rence navigation.

“Repeated applications have been made to the Canadian Government
 “during the last two years, by parties in Buffalo, Cleveland, and Chicago,
 “for permission to pass vessels through the St. Lawrence, which it has
 “been constrained under existing circumstances to refuse. Special per-
 “mission however, was given in two cases, one to a vessel to carry a