

of \$23,553,105, equal to the whole export trade of the former year. But the population of this Province has increased from 2,750,000 in 1854 to 3,600,000 in 1865, a fact which would of itself account for a large part of the whole increase.

The conclusion is, therefore, forced on us that, while Reciprocity enabled us to deal with our neighbors in such commodities as we required, and were able to produce, it gave us no actual development beyond what should naturally belong to our own steady accumulation of capital, and in many instances by navigation laws, and the withholding from us by the other contracting parties of the right of navigating their internal waters on fair terms, retarded such progress materially.

It is well understood that capital accruing from the profits of labour is intrinsically the most valuable; and, as the carrying trade is one means by which such capital could be most extensively acquired, anything, therefore, interfering with the developement of that trade naturally retards the progress of the country. A large proportion of our Import trade passed over the territory of the United States in bond, but they were the carriers thereof.

The action of their navigation laws effectually shut us out from all participation in their carrying trade, nor would they allow us to manufacture their own grain, so that as far as this province is concerned the abrogation of the treaty had almost become a necessity of its future prosperity.

If we desire commercial developement, we must get rid of all trade restrictions at once. Our interest demands that we should sell in the dearest and buy in the cheapest market, and to secure our trade a discriminating duty against all goods passing over foreign lines of Railways or Canals, would appear to be a necessity of our position.