

pulp-wood of \$1.50 per cord, the Crown due for local consumption being forty cents per cord, and for export \$1.90. Upon the broad ground of political economy this system unquestionably is bad policy, and it is highly unfavorable to the interests of those holding timber; but it is almost universally popular, because it is felt that it affords a method of striking back and giving a *quid pro quo* for an ungenerous policy toward us. Its chief weakness lies in the fact that its application to old sales of timber berths and to licenses issued before the passage of the law is denounced by the sufferers as a breach of faith. No one, perhaps, would feel disposed to cavil at its application in all cases when it has been, or can be made, a condition of sale; but the *ex-post-facto* feature of the legislation is no doubt of very questionable character.

The statements of trade relations between America and Canada contained in this article make it evident that the American fiscal policy toward Canada is illiberal as compared with the Canadian fiscal policy toward the United States. That it is in the interest of the United States it is hardly possible to believe. The export trade between Canada and the United States in articles the produce of Canada has practically stood still since the abrogation of the Reciprocity Treaty in 1866, and in 1899 was actually a fraction less than in the former year. The admission to the American market of Canadian farm products would have little, if any, influence upon prices received by American agriculturists, as Canadian importations would be so small, compared with the great volume of American production, as to produce little influence upon market prices. The fear of Canadian competition, on the part of the American farmer, is ill-founded; for both meet in the common market of England for the sale of farm products, and the interchange of such products between the two countries would not produce the slightest effect.

Had free trade in natural products been permitted since 1866, or even for a period of ten or fifteen years past, the volume of trade between the two countries would have been beyond all reasonable doubt two or three times greater than it is at present. The two peoples would have been brought into more intimate relations, both socially and commercially; the tone of public sentiment in the two countries would have been more healthy; and each country would have known more about the other, which is all that is necessary to assure mutual respect. Unquestionably, by fostering such intimate trade relations, the interests of each country, and of the entire