council of the 23d June, 1883, establishing the tariff of the tolls on the canals of the Dominion, be and the same is hereby modified so as to place "steel" in the same categery as "iron," making the charge thereon 15 cents per ton.

JOHN J. MCGEE, Clerk Privy Council.

MEMO.—All canal circulars issued since the publication of G. 212, "pamphlet of regulations," are to be attached to that pamphlet as supplements.

## No. 3.

## Mr. Fairchild to Mr. Bayard.

TREASURY DEPARTMENT. Washington, July 10, 1888.

The honorable the SECRETARY OF STATE:

SIR: I have the honor to transmit herewith for your information, and for such action as you may deem proper, an extract from the last annual report addressed to me by the Commissioner of Navigation, relating to an alleged discrimination by the Canadian Government in the matter of the navigation of the Welland Canal against American ports, American railroads and canals, and American vessels.

It is understood that the discrimination still exists.

The British Government undertook, in article 27 of the treaty of Washington, to urge upon the Government of the Dominion of Canada to secure to the citizens of the United States the use of the Welland, St. Lawrence, and other canals in the Dominion on terms of equality with the inhabitants of the Dominion. But such equality does not exist in all respects.

Would it not be advisable to bring the matter to the attention of the British Government with a view to securing, if practicable, the abrogation of the objectionable regulations now existing upon the subject?

Respectfully, yours,

C. S. FAIRCHILD, Secretary.

## The Welland Canal.

Some complaint has been made in regard to an order of the governor-general of Canada levying tax or toll on all wheat, Indian corn, maize, barley, and rye passing through the Welland Canal in American bottoms.

It was alleged that the toll on grain is fixed at 20 cents per ton on all American vessels passing through the St. Lawrence system of canals from one American port to another, but that on grain from a Canadian port destined to another Canadian port the tolls have been reduced the entire length of the canal system. On the other hand Canadian vessels passing through the Sault Canal are allowed all the privileges of American vessels, and are absolutely free of toll. Reciprocity seems to demand similar action on the part of the Canadian Government, or at least that American vessels should be admitted through Canadian canals without the payment of any fees or taxes in excess of the fees and taxes levied on Canadian vessels under similar circumstances. The complaint as to discrimination against American vessels has been investigated by this office, through the several collectors of customs on the northern frontier. The substance of the statements received is to the effect that discrimination does not exist except in the case of grain passing through the Welland Canal destined for American ports on Lake Ontario.

The following memorandum received from the collector of customs at Buffalo, N. Y., shows the rates charged:

Vessels: Sail a

Passenge 21 ye

> Brick, ce Clay, lln Brimato Corn .. Flour .. Iron:

Pig All Plaster, Salt ... Agricu Ve An Stone 1

All oth

Wheat

Bark Barre Bont. Float Fire-Hoon

Rail

Sa