

fish were largely due to an increased foreign trade, and it is contended that Her Majesty's subjects gained no substantial pecuniary advantage from supplying those foreign markets by indirect rather than direct trade. On the other hand, the tendency of this class of trade is to throw the foreign carrying trade, hitherto conducted by subjects of Her Majesty, more and more into the hands of the shipowners and brokers of the United States.

A close examination of Canadian exports confirms this view. Of the entire exports those to the United States and to other foreign countries compare as follows:—

Years.				Percentage sent to the United States.	Percentage sent to other foreign countries.
1850-54	..	..	..	31½	68½
1856-66	..	..	..	34 7-10	65 3-10
1866-73	..	..	..	28½	71½
1873-76	..	..	..	31 1-10	68 9-10

If any further reasoning is required in support of this very evident contention, the following extract from page 529 of the "United States' Census Report for 1860" may be useful:—

"By the Warehousing Act of 1846, foreign fish were allowed to be imported and entered in bond, and thence exported without payment of duty; but under the Reciprocity Act, Colonial fish are admitted free of duty. These Acts have caused our principal fish distributing cities, such as Boston, New York, and Philadelphia, to become exporters of large quantities of foreign fish."

Although, therefore, the export trade of Canada has progressively increased from year to year, it is plain that the removal of fiscal obstructions on the part of the United States has had the effect more or less of turning a certain proportion of our foreign trade, with other foreign countries, into American channels. In other words, a larger proportion of the West Indian and South American fish trade of Canada has been done through United States' merchants, whenever tariff restrictions have been removed.

Now, the able Counsel and Agent of the United States has chosen as the basis upon which to determine the question of remissions of duty, the year 1874.

It is contended that it would be manifestly unfair to take as a basis upon which to estimate such remissions, those years during which it is alleged the exportations from Canada to the United States have (*mainly in consequence of such remissions*) considerably increased.

The United States import from Canada and Prince Edward Island of fish and fish-oil from 1867 to 1873, during which period duties were imposed upon such importations, were as follows:—

									Dollars.
1867	..	..	..	..	..	..	..	..	1,108,779
1868	..	..	..	..	..	..	..	..	1,103,859
1869	..	..	..	..	..	..	..	..	1,208,805
1870	..	..	..	..	..	..	..	..	1,129,665
1871	..	..	..	..	..	..	..	..	1,087,341
1872	..	..	..	..	..	..	..	..	933,041
1873	..	..	..	..	..	..	..	..	1,393,389

The average annual value of the above-mentioned importation was 1,137,840 dollars, and the largest in any one year, 1,393,389 dollars, in 1873.

The commerce and navigation returns of the United States give the importation from Canada in that year at 1,400,562; or, including Newfoundland, at 1,685,489 dollars, as follows:—

Description.	Imported.		Rate of Duty.	Amount of Duty which would have been collected if entered for consumption.
	Quantity.	Values.		
		Dollars.	Dollars.	Dollars.
Fish (fresh)	8,627,724 lbs.	278,707	Free.	..
Herring..	53,039 bbbs.	179,377	1.00 per bbl.	53,339
Mackerel	89,698 bbbs.	605,778	2.00 "	179,396
Sardines, &c., preserved in oil	..	3,527	50 per cent.	1,763
All others not elsewhere specified	..	552,032	13½ "	74,524
Oil, whale and fish	127,315 gals.	66,068	20 "	13,213
Total ..	..	1,685,489	..	321,935