

No. 2.

Lord Tenterden to Mr. Herbert.

Sir,

Foreign Office, October 28, 1874.

I AM directed by the Earl of Derby to transmit to you, to be laid before the Earl of Carnarvon, for his perusal, a despatch from Her Majesty's Chargé d'Affaires at Washington, upon the proposed Reciprocity Treaty.*

I am, &c.
(Signed) TENTERDEN.

No. 3.

Sir E. Thornton to the Earl of Derby.—(Received November 16.)

(No. 30. Commercial.)

My Lord,

Washington, November 2, 1874.

I HAVE the honour to inclose a copy of a speech made on the 28th ultimo at Philadelphia, by Mr. Kelley, a Member of Congress from Pennsylvania, giving his reasons for urging the people of the United States to oppose the project recently entered upon for concluding a Treaty of Reciprocity with regard to Canada between the United States and Great Britain.

Mr. Kelley has for several years been the champion of Protection in the House of Representatives, and it may be observed that the inclosed speech was made on the eve of the elections in that State, when it will be decided whether Mr. Kelley is to retain his seat in the House. It was, therefore, addressed more particularly to his constituents, who will doubtless entirely sympathize with his feelings upon that question.

Mr. Kelley endeavours to prove that the people both of the United States and of Canada will be seriously injured by, and are entirely opposed to, the conclusion of the proposed Treaty, and that it is Great Britain alone which will profit by it. He asserts that it is by the latter that the Canadian Ministers have been induced to consent that the negotiation should be entered upon; and he even insinuates that Mr. George Brown, the joint Plenipotentiary with myself, who, as he says, was formerly a violent opponent of Reciprocity, has been converted by Her Majesty's Government.

Mr. Kelley wishes to show also that the manufacturers and shipbuilders in the United States will be ruined by allowing free competition on the part of Canada, which, as he asserts, will also give rise to the free admission into the United States of British manufactures and ships; and he affirms that this power will enable England to put an end to all manufacturing establishments in Canada.

It is somewhat satisfactory to observe that Mr. Kelley lays great stress upon the danger that the Treaty might give rise to disputes between the two countries and to a probable war; for he thus tacitly admits that the audience which he was addressing is not in any way disposed to risk a conflict with Great Britain.

Mr. Kelley finishes his speech by saying that trade can be reciprocal between Canada and the United States only when the two countries shall be united under one flag; but he deprecates the conclusion of a Treaty which would deprive the House of Representatives of their right to regulate the revenue; and suggests that the Constitution of the United States should be amended, so as to limit the Treaty-making power now held by the Executive and the Senate.

I have, &c.
(Signed) EDWD. THORNTON.

Inclosure in No. 3.

*Extract from the "American and Gazette."**"Washington, D.C., May 20, 1874.*

CANADIAN RECIPROCITY TREATY.—AN EXHAUSTIVE ADDRESS BY HON. WILLIAM D. KELLEY.—AN ABSTRACT OF HIS REMARKS.—A large audience assembled last evening at the Academy of Music to hear the Hon. William D. Kelley discuss the proposed Reciprocity Treaty. The stage was occupied by a number of prominent citizens. The

* No. 1.