

the United States from any foreign country except Canada. This is friendliness at a great rate.

An influential American contemporary, *The Manufacturer*, of Philadelphia, speaking of this move for reciprocity, says that it is urged by the advocates of it that it is sure to be but a step towards the annexation of Canada to the United States; and that "when we shall give to Canadians, while they retain political connection with Great Britain, the very highest material advantage which would come to them from annexation to this country, we throw away the trump card in the game." That the Americans entertain no idea of entering into any sort of reciprocity with Canada except upon terms looking to annexation is obvious from the following expression taken from the journal here alluded to:

The very fact that the McKinley tariff has filled Canada with so much alarm at the consequent abridgment of its trade with us as to force the Tory Government to take up the reciprocity question, supplies proof enough that more rigid restriction upon the entry of Canadian products to this market will impel the people of that country to seek for relief by demanding the complete reciprocity which may be had through the instrumentality of union with us. The right to trade among ourselves, without restriction, is one of the most valuable privileges belonging to American citizenship, and it ought to be retained solely for American citizens.

Of course there is much foolish conceit in supposing that the operation of the McKinley tariff in restricting the entry of Canadian products into the American market will impel us to seek relief in annexation. We are not built that way: and for the information of our respected contemporary we inform it that although our exports to the United States may have fallen off since the McKinley tariff came into force, our exports to all countries have considerably increased.

Canada has a remedy within easy reach for the correction of the evils of the McKinley tariff, which our neighborly American friends are using against us. Why should American products be allowed to come into Canada at low rates of duty? Last year we bought more than \$20,000,000 worth of merchandise from that country than what we sold to it, these figures representing the balance of trade against us. If the McKinley tariff is a good thing to protect American industries against Canadian competition, it should certainly be a good thing to measure the height of the Canadian tariff in protecting Canadian industries against American competition. By all means, then, let us adopt it. Not against Britain or the rest of the world, for our present tariff answers well enough in a general way for intercourse in those directions. But for whatever merchandise American producers find sale for in Canada, let them find a McKinley tariff on this side the line. If Canada does this we will find our so-called dependence upon the United States melt away like snow in August. If they want to keep us out of their market we can afford to stay out; and if they want to have access to our market they can afford to pay as much for the privilege as they themselves charge for access to their market. The arrangement would greatly accelerate trade with Britain and the rest of the world, and we would maintain our dignity.

TRADE RELATIONS.

ONE reason why any form of renewal of reciprocity arrangements is objected to by Americans, is that the conviction widely prevails that Canada will gain most of the profit from such an arrangement. The figures belonging to the subject appear to point plainly to such a conclusion. The former reciprocity treaty with Canada began in 1854 and ended with 1865. Before the treaty began we sold to Canada about three times as much as we bought from her. In the last year of the treaty the figures were so much changed that Canada sold to us six millions more than she bought from us. In 1867 exports and imports were equal; but in 1878 we again sold to Canada twice as much as we bought from her, and the balance of trade has been largely in our favor ever since. That it should be heavily against us would appear to be the inevitable result of free trade between a great population and a small one. It might even then be advantageous to us if Canadian products, like those of the West Indies, differed from our own. But there is difficulty in perceiving how we can be helped in any great degree by permitting Canada to find a market here for products which our own resources may supply.—*Philadelphia Manufacturer*.

There is equal difficulty in perceiving how Canada can be benefited to any great degree by permitting the United States to find a market here for products which our own resources can supply. The year 1855 was the first complete fiscal year after the old reciprocity treaty went into effect, and in that year the balance of trade was against Canada to the extent of \$19,243,899; and that condition prevailed without change until the termination of the treaty in 1865. From that year until 1873, with the exception of 1867, when the trade was about even, the situation was reversed, but from 1873 until the present time there has been a large balance against us on the transactions of each year.

Our American friends seem to measure the value of trade between their country and this by the balances of trade there may be in their favor from year to year; and they consider that any reciprocity of trade that may be proposed between the two countries must show these balances in their favor or they will not agree to any such reciprocity. During the time the old reciprocity treaty was in force Canada bought from the United States nearly \$86,000,000 more than she sold; and during that period the United States also enjoyed the free use of the Canadian fisheries, which, according to the Halifax award, was worth over \$5,000,000. As soon, however, as the balance of trade turned in favor of Canada, the United States was quick to give notice of the termination of the treaty. In 1863 the imports of Canadian merchandise into the United States were valued at \$17,191,217; in 1864 it was \$29,608,736; in 1865 it was \$33,264,403; and in 1866 it reached a maximum of \$48,528,628, the excess of imports over exports being in 1865 \$5,995,245, and in 1866 \$20,622,644. But the operations of the treaty had nothing whatever to do with this remarkable change in trade between the two countries. The United States was then engaged in suppressing the rebellion, and a fierce and expensive war raged throughout the land. More than a third of the population of the country embraced in the South were in open resistance to the Federal Government; and first and last nearly 3,000,000 able-bodied men were called for to defend the Union; and it was this drain upon the productive capacity of the country that necessitated the exceedingly large importations from Canada. In the last