

had been restored in the States, that confidence in our securities would rise to their former rate. Government would exercise authority under the supply bill of last year in reference to the issue of debentures, but only on some more favourable opportunity arising for placing the debentures in the market. Without going further at length into the subjects treated of, he would feel it his duty to answer any questions which might be submitted respecting them, to give the fullest information required. He would now advert at some short length to our present relations towards the United States, and what he might term our foreign trade. He thought the committee would agree that the Reciprocity Treaty might possibly expire on the 15th of March next, under terms of the notice given, and it would be felt that in anything he said as to the position of the country during the current year, this would be regarded by the committee, if he omitted to notice a cause that might prove one of serious disturbance to our trade and seriously effect the conclusions to which he had arrived, and it would be considered, if he took his seat without adverting in some degree to the position of our trade with the United States, and generally to what we hoped to be the result of the negotiations with that country, as also to throw out such suggestions as might be useful, that he would be acting within the discharge of his duty. Our trade with the United States consists of two kinds, one was independent of the Reciprocity Treaty altogether, and the other that existing under it, so to the former the privileges applying to the most favored nations would apply in our case in every particular, but the great bulk of our trade and that which created the greatest apprehensions in the minds of our people was the belief that we are, to a very large extent dependent on them for a market for our produce. He would not desire to diminish or derogate from the importance of trade enjoyed with that country. It was impossible that two kindred nations, speaking the same language, actuated by the same feelings, could exist alongside each other without having intimate commercial relations and intercourse, and it was evident it could not be interfered with by either nation without seriously injuring both: but while he acknowledges the importance of the treaty with the United States, it was not our interest nor was it his duty to exaggerate its importance in view of the possibility, and as many thought probable, of that treaty being abrogated in March next, it was desirable for the House and country to look somewhat into the condition of the trade as it now exists, and into the reasons which induce us to believe that it would be continued and extended on the one hand, and to consider the position we should, on the other hand, be placed in, if our anticipations in that respect should prove to be unfounded. He had a statement of our trade

with the U. S. since 1850, but would not now go into all the figures. He would merely advert to what that trade has been for some time past, beginning with 1860. The imports from the United States for 1860 were \$17,250,000; 1861, \$21,000,000; 1862, \$25,000,000; 1863, 23,000,000; and in half of 1864, \$8,000,000; fiscal year 1864 and '65, nearly \$15,000,000. This was in proportion to our whole imports—50, 49, 52, 50, 37 and 37 per cent respectively, so that for the last 18 months our import trade with the United States has been 37 per cent of our whole import trade as respects all nations. Well, our export trade with the United States for 1860 amounted to \$18,500,000; for 1861, \$14,500,000; for 1862, \$175,000,000; for 1863, \$22,500,000; July of 1864, \$7,000,000; fiscal year of 1864 and '65, \$24,000,000. The relative proportion this trade bore to our whole export trade was thus shown—53, 35, 50, 54, 54 and 59 per cent respectively. He would now take the figures for the year for the purpose of looking into the operations of our trade with the United States under the treaty. He would take the year 1864, '65 for this reason, that in that year our imports from the United States were proportionately the lowest, and our exports proportionately the highest. There was no year since the treaty was enacted in which our export trade and our market, in the United States was so large as in 1864. The leading articles in our trade with the United States, under the treaty were first the products of the forest.—These amounted last year to five millions of dollars. In considering the value of that trade to us and to the United States, regard must be had to present state of the supply in the United States market. It would be found he thought that the obtaining of the lumber from Canada was quite as essential to the consumers in the United States, as it was to ourselves. He might advert to the average price of lumber, as including this the prices were raised from seven dollars to seven dollars and fifty cents per 1,000 feet to eight dollars in 1859; nine dollars in 1860 to nine dollars and fifty cents in 1861; nine dollars and seventy-five cents in 1862; and ten dollars in 1863. Now the districts from which the United States obtained their supply of lumber, exclusive of Canada was the State of Maine, some portions of the Western States—Michigan and the States bordering on the upper waters of Lake Michigan and Superior and the Southern States; the trade of the Southern States had of course been completely stopped for several years past, which had given vitality to the trade here, we being called upon to supply them with ship-building timber to a large extent during the rebellion, but that part of the United States which consumed timber was not that which produced it. Large districts of New York and Pennsylvania, and the New England States were dependent for lumber on