

one of the gentlemen who carried on the negotiation on our side, I do not desire in any way to increase the friction by referring to my views of the situation. As reported through United State sources it is very unfortunate that when the attention of the Government of Canada was called to it, the course that they proposed to pursue was a matter of dispute, to use the mildest term—that the statement of Mr. Blaine, whose recent death we must all regret, and of Mr. Secretary Foster, of what took place at the conference was different from that of our own ministers. However, that is entirely immaterial and I allude to it simply as showing that in the minds of the American people there was a belief that Canada was going to remove the cause for dissatisfaction that had existed for some antecedent years. Canada did not remove it last year, and the situation became graver. What the Americans say, and I think it cannot be contradicted, is that in granting a rebate of eighteen cents per ton on all the grain coming into Montreal we sinned against that particular clause of the Washington Treaty which governed the subject, in three different ways:

(1.) In that it makes the toll on grain for export from Montreal and other Canadian ports east of Montreal two cents per ton while the toll on grain for export from American ports is twenty cents per ton: that is to say, that grain coming through the Welland Canal and shipped to Ogdensburgh would pay twenty cents per ton, while if shipped to Kingston and reshipped to Montreal it would only pay two cents per ton.

In discriminating against Ogdensburgh we surely discriminate against the people of the United States. They do not enjoy the privileges of the canals on term of equality with us if we make the grain dealers of Ogdensburgh pay eighteen cents more than Canadian dealers who carry the grain to Montreal.

(2.) In that even the lesser rate is refused on grain for Montreal and ports east of it has been transhipped at an American port, while it is allowed if it has been transhipped at a Canadian port.

If the grain even were going to Montreal and it were transhipped at Ogdensburgh, it would still be charged twenty cents per ton, although if transhipped at Kingston the charge would only be two cents per ton, a clear discrimination. No man can defend or justify it. At all events, the thing is not worth defending. Why should we have this difficulty with the great nation to the south of us about a small matter of this kind, affecting the whole of

the United States, for the benefit of a few elevator men at Kingston? It is a pity that all this friction should arise over so insignificant a matter.

(3.) In that the two cent rate is only levied on grain from Montreal and ports east from any Canadian Lake Ontario port, while the twenty cent rate is exacted on grain for the same destination from American Lake Ontario ports.

Hon. Mr. BOWELL—Will the hon. gentleman kindly tell me what he is reading from?

Hon. Mr. SCOTT—I am reading from "The President's message on the canal question," a United States document.

Hon. Mr. BOWELL—What are the words of the treaty?

Hon. Mr. SCOTT—I will give the words of the treaty:

The Government of Her Britannic Majesty engages 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 term of equality with the other inhabitants of the Dominion.

The contention of our Government is this, that they discriminate only against ports—that they discriminate in favour of St. Lawrence ports to the extent of eighteen cents per ton. I say that they have no power to do so under the treaty. It is in direct violation of the terms of the treaty. No nation sensitive about its honour ought to construe treaties otherwise than fairly and liberally towards its opponent, unless in a matter of very grave importance. I say the fair and honourable course on the part of the Dominion would have been to refer the matter to the gentleman who was present when the Washington treaty was framed, to have referred it to a statesman who is now a member of Mr. Gladstone's Government—the Earl of Ripon. That would have been a very fair course. Canada might have stated the question and asked, "what is your version?" Would you consider that we were violating the terms of the treaty by taking this action? Instead of this the Canadian Government set up its own opinion. It acted in a very independent way towards the United States, and a great portion of the people of Canada choose to remain silent rather than to place this government in a