

intentional. The same results are seen in the general business of the canals. It is alleged that of the total cargo tonnage of the Welland Canal during the year 1890 57 per cent, destined for American ports, paid more than 72 per cent of its tolls, and 43 per cent, destined from Canadian ports, paid less than 28 per cent.

The Department has not yet been able to obtain a copy of the official canal statistics of Canada for the navigation season of 1891, nor is it informed whether they are yet published. It is represented to the Department, however, by the Lake Carriers' Association, of Buffalo, that the traffic passing through the Welland Canal in 1891 for Ogdensburg alone paid \$55,037.05 toll, while, if the same traffic had been bound for Montreal or ports east, the toll would have been only \$7,360.91. There was also \$5,719.56 collected on grain for Montreal, which was transhipped at Ogdensburg, which, if transhipped at a Canadian port, would have only paid \$571.96, making a total discrimination in the use of the Welland Canal against the business of the port of Ogdensburg alone for the season of 1891 of \$52,823.71. It is further represented that its traffic was compelled to pay the full toll of 15 cents in the St. Lawrence canals, while the Montreal grain traffic passed through them free. It was also deprived of its natural share of the business of transshipping grain intended for Montreal and ports east.

The Commissioner of Navigation, in his annual report for 1888, called attention to the discrimination of the Canadian Government against our citizens with respect to the navigation of its canals. The Secretary of the Treasury referred the matter to this Department, and Mr. Bayard on the 21st of July, 1888, wrote the British minister about it. The latter, on the 13th of August, 1888, replied, transmitting a copy of a report of the Canadian privy council. There appears to have been no further diplomatic correspondence at that time. (Foreign Relations, 1888, pp. 813, 814, and 824.)

Recently this subject was again presented to the Department quite fully by a memorial from the Lake Carriers' Association, of Buffalo, N. Y., dated September 18, 1891. Since then memorials have also been received from the Milwaukee Chamber of Commerce, the Chicago Board of Trade, the Detroit Board of Trade, the Cleveland Board of Trade, the Oswego Board of Trade, the Rochester Chamber of Commerce, and from other associations and individuals.

A copy of the memorial of the Lake Carriers' Association was transmitted to Her Majesty's minister at this capital October 10, 1891, with a request for such explanation of the facts in the case as he might desire to make. The Department's note stated that the matter was one of special importance to our people at that season, and asked him to give it his early consideration. Sir Julian replied, October 12, that he would bring the matter to the attention of his Government. At the conference which was held at this Department in February last with the British minister and the commissioners from the Canadian Government this subject was presented, and assurance was given by the Canadian commissioners that the complaint of this Government should have prompt consideration and that the question of canal tolls should be satisfactorily adjusted. Still no reply has been received to that complaint, but by its order in council of the 4th instant the Canadian Government has continued its system of discrimination.

It does not relieve the position of the Dominion Government with respect to the grain rebate that considerable of the grain carried to Montreal and the East is shipped from ports of the United States, and that the transportation of such grain being open to American vessels, they can secure the rebate on the same conditions on which it is given to Canadian vessels. The reciprocal equality which is stipulated for in the treaty in the use of the Welland and other Canadian canals is not to the vessels of the two countries, but to "the citizens of the United States" and to "the inhabitants of the Dominion." An equality in the use of the canals to American vessels would not alone satisfy the conditions of the treaty. The distinction between the vessel and the cargo is recognized by the Canadian Government, which exacts distinct tolls for each. Neither does the treaty provide for equality in tolls only. The conditions imposed upon the use of the canals discriminate against American shippers and consumers, American transportation companies and routes, and American ports. The present practice of the Canadian Government is probably even a greater discrimination against our citizens than if directed against our vessels.

On the 2d of February last a communication was received from the Hon. N. C. Blanchard, chairman of the Committee on Rivers and Harbors of the House of Representatives, in which he said that his committee would appreciate any information as to "whether there is anything in existing treaties between Great Britain and the United States which would prevent the imposition of tolls by the United States upon commerce destined for Canadian ports, using or going through the St. Clair Flats Ship Canal or the canal and lock at the Sault Ste. Marie, in retaliation for tolls imposed at the Welland Canal, should the Government of the Dominion of Canada fail to recognize its obligation growing out of the twenty-seventh article of the treaty of Washington."