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THE CANAL TOLLS QUESTION.

BY R. S. WHITE, M.P.

“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 terms of equality with the inhabitants of the Dominion; and the government of the United States engages that the subjects of Her Britannic Majesty shall enjoy the use of the St. Clair Flats canal on terms of equality with the inhabitants of the United States, and further engages to urge upon the State governments, to secure to the subjects of Her Britannic Majesty the use of the several State canals connected with the navigation of the lakes or rivers traversed by or contiguous to the boundary line between the possessions of the high contracting parties, on terms of equality with the inhabitants of the United States.”
Article 27, of the Washington Treaty, 1871.

The controversy which has arisen between the governments of the Dominion and of the United States, respecting the observance of article 27 of the Washington Treaty, has its origin in the system of rebates of canal tolls adopted by Canada for the encouragement of the export grain trade by way of the St. Lawrence route. That system was inaugurated in the spring of 1884, and has been continued from year to year since that time by Order-in-Council, a refund of 18 cents per ton being paid out of the toll of 20 cents per ton collected, upon wheat, corn, peas, barley, rye, oats, flax-seed and buckwheat, passing down the Welland and St.

Lawrence canals for export. Public attention was first directed in the United States to this policy by President Cleveland, who, in a message to the Senate, of date August 23rd, 1888, wrote, “Evidence has for some time been before Congress, furnished by the Secretary of the Treasury, showing that while the tolls charged are, in the first instance, the same to all, such vessels and cargoes as are destined to certain Canadian ports, are allowed a refund of nearly the entire tolls, while those bound to American ports are not allowed any such advantage.” President Cleveland accordingly recommended that “such legislative action be taken as will give Canadian vessels navigating our canals, and their cargoes, precisely the same advantages granted to our vessels and cargoes upon Canadian canals, and that the same be measured by exactly the same rule of discrimination.” This recommendation was not acted upon and the subject remained quiescent until October, 1891, when the State Department at Washington transmitted to the British Minister a copy of a memorial of the Lake Carriers’ Association complaining of the alleged discrimination; and since then, the matter has been the subject of conference and correspondence between the Canadian and United States