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“ Heavy duties are now imposed upon many of those articles which the United States have to sell with the intention of excluding the United States from the Canadian Markets, as avowed by the Minister of Finance,” “ and similar legislation with the same official avowal has been adopted by the imposition of discriminating tolls and duties in favor of an isolating and exclusive policy against our merchants and forwarders, meant and intending to destroy the natural effects of the Treaty and contrary to its spirit.”

This statement, as applied to the undersigned or to the Government of Canada, is wholly unjustifiable. The Legislation of Canada has been unquestionably designed to promote the welfare, and to foster the commerce of the country, and, if in attaining this object, trade has been diverted from American to Canadian channels, it is only proof of the wisdom of the means employed, not evidence of a design merely to injure others. To allege that the policy of this Government has been avowedly to damage our neighbours is an injurious imputation which scarcely was to be expected from the representatives of a nation whose commercial policy is itself so exclusively national and restrictive. It will, however, be hereafter shewn that the policy of Canada, both as regards the imposition of duties, and also in the abolition of tolls, is in marked contrast with that of the United States, and of the State of New York on the side of liberality, and that if complaint can justly be made of the infraction of the spirit, and it may be added, letter of the treaty, it rests with Canada to be the complainant. The mutual advantages derived from the operation of the Treaty are, however, so evident, that Canada has never sought to disturb it, and the Committee on Commerce appear also to have fully appreciated its benefits to the United States, and to desire not its abrogation, but its extension, a desire which is fully reciprocated by Canada. It is, therefore, a subject, of deep regret to the undersigned that the Committee on Commerce, having this object in view, should have framed their report and recommendations in a spirit of accusation and complaint rather than upon a correct appreciation of mutual advantages in the past, inducing further progress in the same direction in the future. The argument of the Committee would appear to be, that admitting both countries have largely benefited, Canada has had the greater gain, and, therefore, the United States have a claim for compensation. It may, however, clearly be shewn that according to the accepted principles of political economy, the very results which are indicated by the trade returns, are a proof of gain to the United States, equally at least with Canada.

The conclusions of the report, pointing to an extension of commercial facilities between the United States and Canada, gives the undersigned the most sincere desire to avoid undue criticism, but as no new negotiations would be likely to result favorably, if one party were suffering under fancied wrong, he considers it more advisable to review the statements of the Committee, and when necessity requires to point out errors in fact, and fallacies in argument, with which their report is chargeable.

The Committee on Commerce in no portion of their report allege an infraction of the letter of the Treaty by Canada,—nor, does Canada make