

In regard to the addition of certain classes of manufactures to the free list under the old Treaty, we reminded you that the revenue of the Canadian Dominion was largely obtained from a 15 per cent. *ad valorem* duty on manufactured goods, and that any articles made free in Canada under agreement with any foreign country must be made free to Great Britain. But we added that the Government of Canada was desirous to afford every facility for the encouragement of extended commercial relations between the Republic and the Dominion, in the belief that nothing could tend more to their mutual advantage, not only in a pecuniary sense, but as tending to foster and strengthen those friendly feelings that ought eminently to prevail between two peoples mainly derived from the same origin, speaking the same language, and occupying the geographic position towards each other of the United States and Canada. We conveyed to you the assurance of the Canadian Government, that acting in this spirit, and in the confidence that we would be met in the same spirit by the Government of the Republic, the assent of Canada will be heartily given to any measure calculated to promote the free and fair interchange of commodities, to reduce the cost of transportation, or conduce to the joint advantage of the two countries, so that it be not seriously prejudicial to existing industrial interests of the Canadian people.

In the spirit of this assurance, we invited you to suggest for discussion the classes of manufactures that you would desire to have embraced in the new Treaty. This you declined to do; but you urged that we should indicate the enlargement of the old Treaty likely to be acceptable to both countries. Without acquiescing in the propriety of this course, we yielded to your wishes, and now proceed to fulfil our promise to do so.

Suggestions.

We propose that the new Treaty shall be for the term of twenty-one years,—to inspire confidence among business men investing their capital in such extensive enterprises as would naturally follow from the completion of a comprehensive Treaty.

We propose that the Treaty shall provide for the free admission into the United States, the Dominion of Canada, and the Island of Newfoundland, of the following articles, as under the Treaty of 1854:

Animals and their Products.

Animals of all kinds.	Meats, fresh, smoked, or salted.
Butter.	Pelts.
Cheese.	Poultry.
Eggs.	Skins, undressed.
Furs, undressed.	Tails, undressed.
Hides, undressed.	Tallow.
Horns.	Wool.
Lard.	

Products of the Farm.

Breadstuffs of all kinds.	Plants.
Broom-corn.	Rice.
Cotton-wool.	Seeds.
Flax, unmanufactured.	Shrubs.
Flour of all kinds.	Tobacco, unmanufactured.
Fruits, dried and undried.	Tow, unmanufactured.
Grain of all kinds.	Trees.
Hemp, unmanufactured.	Vegetables.

Products of the Forest.

Ashes.	Pitch.
Bark.	Tar.
Firewood.	Timber of all kinds, round, hewed, or sawed,
Lumber of all kinds, round, hewed, or sawed,	unmanufactured in whole or in part.
unmanufactured in whole or in part.	Turpentine.

Products of the Mine.

Burr or grindstones, hewn, wrought, or unwrought.	Marble in its crude or unwrought state.
Coal.	Ores of all kinds of metals.
Gypsum, ground or unground.	Slate.
	Stone in its crude or unwrought state.