

his money where he gets it, in supplying his wants. As the factors of the Canadian farmers, under a liberal system of commercial intercourse, we are the medium through which he receives the money for his products, and he purchases what he requires of our wares and merchandise as a matter of convenience and of course. If, on the other hand, we exclude him from our markets—if he is compelled by heavy duties on our frontier to cross the Atlantic, and compete with us directly in the markets of Europe, who can contend that he would not there also purchase his supplies?

CONCLUSION.

The conclusions which are fairly deducible from the facts and figures herewith presented are, that a wise policy in behalf of the interests of our own citizens requires that the existing state of things, consequent upon the abrogation of the reciprocity treaty, should not be continued. Too little attention has been directed to the trade between the United States and the people lying for hundreds of miles along our northern frontier, speaking the same language and sprung from the same ancestry. I do not allude to our common origin in any spirit of sentimentality, because such considerations are absurd as between nations, but to show that commercial intercourse with such a people, intelligent, industrious, and enterprising, must be of value to us. In point of fact, the commerce already existing between the United States and Canada is extensive and important—ranking in consequence *third* in the list of countries with which we hold trade relations, as will be seen by the following table, for which I am indebted to the director of the Bureau of Statistics:

Table exhibiting the trade of the United States with the following countries during the fiscal years ending June 30, 1860 and 1867, respectively, (in millions of dollars and tenths, specie.)

| Countries. | Domestic exports. | | Total imports. | | Re-exports. | | Net imports. | |
|--|-------------------|-------|----------------|-------|-------------|-------|--------------|-------|
| | 1860. | 1867. | 1860. | 1867. | 1860. | 1867. | 1860. | 1867. |
| 1. Great Britain..... | 196.2 | 185.0 | 138.5 | 178.9 | 6.0 | 6.6 | 132.5 | 172.3 |
| 2. France..... | 59.0 | 44.2 | 43.2 | 31.2 | 3.1 | 1.8 | 40.1 | 29.4 |
| 3. British North American provinces..... | 18.6 | 15.6 | 23.8 | 33.3 | 4.0 | 3.7 | 19.8 | 29.6 |
| All other countries..... | 99.3 | 99.6 | 156.6 | 168.8 | 13.8 | 8.6 | 142.8 | 160.2 |
| Total..... | 373.1 | 334.4 | 362.1 | 412.2 | 26.9 | 20.7 | 335.2 | 391.5 |

N. B.—The countries are named in their order of consequence among all countries with which we trade.

ALEX. DELMAR, Director.

BUREAU OF STATISTICS,
Treasury Department U. S. A., February 19, 1868.

So far as the official facts can be relied upon—and they have been collected with a view solely to ascertain the truth and not to sustain any preconceived theory—there can be no question, first, that the duty imposed upon pine lumber has fallen upon the American purchaser; secondly, that the effect of the imposition of an unreasonably high duty upon other products must be in the end to force the Canadian producer to seek the European markets through other and cheaper channels. The market for the surplus produce of this continent is in Europe. The price is mainly regulated by the European demand; and all the advantage we can expect to derive from the Canadian export of these articles must be obtained from handling them—by being the merchant of the Canadian farmers. They do not enter into competition with American products of a similar character to any extent on this side of the Atlantic. The competition