

“ spector-General of Public Accounts in this Province, on the subject of
 “ the closing of the Canadian canals to foreign vessels. You are, I be-
 “ lieve, aware that a measure, such as that recommended by Mr. Hincks,
 “ has been for some time contemplated by the Canadian Government.

“ The discussion which took place in the Legislative Assembly last
 “ session, to which Mr. Hincks refers in his memorandum, indicates,
 “ however, very clearly, the direction which public opinion is taking on
 “ these questions, and I cannot conceal from Your Excellency my belief
 “ that, unless you are enabled to give me some assurance that negotia-
 “ tions with the Government of the United States are in progress,
 “ which are likely to result in placing the commercial relations be-
 “ tween the Provinces and the United States on a more satisfactory
 “ footing, it will not be in my power any longer to refrain from adopt-
 “ ing the steps which the Inspector-General suggests, and which may,
 “ I think, very probably be followed up by others calculated to check
 “ the trade between British North America and the United States.

“ Under these circumstances, I deem it my duty to invite Your
 “ Excellency's attention to the documents which I herewith enclose and
 “ to request you will, at your earliest convenience, furnish me, for my
 “ guidance, with such information respecting the views of the Govern-
 “ ment of the United States as it may be in your power to give.

“ I have, &c.,

“ ELGIN AND KINCARDINE.

“ The Right Honorable

“ Sir HENRY L. BULWER, G.C.B., &c., &c.”

“ The papers alluded to in this despatch, are :—

“ 1st. Memorandum from Mr. Hincks to the Governor General of
 “ Canada, recommending that the canals should be closed to foreign
 “ shipping, in regard to which no immediate steps were taken in con-
 “ sequence of the expected arrival of a deputation from Oswego, to
 “ confer with the Governor General on this subject

“ 2nd. Memorandum subsequent to the arrival of said deputation,
 “ recommending that the canals should be closed, unless the British
 “ Minister at Washington could give some assurance that the trade
 “ between Canada and the United States is likely to be placed on a more
 “ satisfactory footing.

“ 3rd. Resolutions about to be proposed by the Honorable Mr.
 “ Robinson, to the effect that a duty of twenty per cent. should be levied
 “ on American goods, and that a system of differential duties should be
 “ returned to, encouraging importers to bring their goods into Canada,
 “ *via* St. Lawrence, instead of through the United States

“ 4th. Resolutions about to be proposed by the Honorable Mr.
 “ Merritt, that Her Majesty be prayed to recommend to Her Imperial
 “ Parliament to enact that similar duties should be imposed on foreign
 “ produce (as enumerated in schedule ‘ A ’ herewith appended) imported
 “ into Great Britain and her dependencies, as are levied on British produce
 “ in those foreign countries.