

These are quotations that I make from the American evidence. I do not quote from our own, as Mr. Dana admitted there was such a consensus of evidence on that point, that he almost insinuated that it was too uniform to be depended upon.

I now propose to deal at length with two questions of vital importance in this enquiry, viz. :—

1st. In favor of which country is the balance of advantages arising from reciprocal freedom of trade gained by the Treaty of Washington? and

2d. Upon whom is the incidence of duties levied upon fish exported by Canada into the United States, the producer or the consumer?

I again (if I may do so without giving offence to my learned friends on the other side,) express my obligations to Mr. Mall for the valuable assistance he has afforded in preparing my argument on these points.

ARTICLE XXI of the Treaty of Washington is as follows :—"It is agreed that for the term of years mentioned in Article XXXIII of this Treaty, fish and fish oil of all kinds (except fish of the inland lakes and of the rivers falling into them, and except fish preserved in oil), being the products of the fisheries of the United States or of the Dominion of Canada, or of Prince Edward Island, shall be admitted into each country respectively, free of duty."

ARTICLE XXII.—"Inasmuch as it is asserted by the Government of Her Britannic Majesty that the privileges accorded to the citizens of the United States under Article XVIII of this Treaty are of greater value than those accorded by Articles XIX and XXI of this Treaty to the subjects of Her Britannic Majesty, and this assertion is not admitted by the Government of the United States, it is further agreed that Commissioners shall be appointed to determine having regard to the privileges accorded by the United States to the subjects of Her Britannic Majesty, as stated in Articles XIX and XXI of this Treaty, the amount of any compensation which, in their opinion, ought to be paid by the Government of the United States to the Government of Her Britannic Majesty in return for the privileges accorded to the citizens of the United States under Article XVIII of this Treaty; and that any sum of money which the said Commissioners may so award shall be paid by the United States Government in a gross sum within twelve months after such award shall have been given."

The advantages which might be expected to flow from the reciprocal freedom of markets, provided for by Article XXI, might be of two kinds—

1. Increased trade.

2. Increased profits upon the volume of trade already existing.

The latter, however, could only obtain upon the supposition that the duties previously levied had been a burden upon the foreign producer.

In reference to the first of these questions it is contended—

1st. That the increase of consumption in the United States of British caught fish, has not been equal to the increase of consumption in Canada of the products of the United States fisheries.

2nd. That a considerable portion of the products of British American fisheries exported to the United States for many years past, has been re-exported to foreign countries where they have entered into competition with other foreign exports of Her Majesty's British American subjects; and it must be borne in mind that these fish have not paid any duty.

These propositions will be dealt with seriatim.

By reference to Statement No. 8, to be found on page 435 of the British evidence it will be found that for the seven years following the abrogation of the Reciprocity Treaty (*when duties were payable upon importations*) the imports of fish and fish oil from the United States into the Dominion of Canada and Prince Edward Island were as follows :—

1867.....	\$172,366
1868.....	170,156
1869.....	99,563
1870....	99,409
1871.....	123,331
1872.....	123,670
1873.....	279,049

the average annual value being \$152,506.

During the years 1874, 1875, 1876, 1877, *when no duties were payable*, they have, under the operation of the Treaty, been as follows :—

1874.....	\$728,921
1875.....	727,587
1876.....	679,657
1877.....	750,382

the annual average having been increased to \$721,637.

The increase therefore of United States exportation of fish and fish oil annually to Canada has been \$569,131, of which \$179,030 consisted of fresh fish, leaving \$390,101 as the increase upon articles previously subjected to duty. As against this gain to the United States the British producers have gained an increased market in the United States of only \$340,589, as will be seen by the following figures to be found in the same statement.

During the seven years immediately preceding the Washington Treaty, *when duties were payable*, the United States imported the fish products of Canada and Prince Edward Island as follows, viz. :—

1867.....	\$1,108,779
1868.....	1,103,859
1869.....	1,208,805
1870.....	1,129,665
1871....	1,087,341
1872....	933,041
1873....	1,393,389

the annual average being \$1,137,839.

Since the Treaty has been in full operation the annual average has increased to \$1,505,888, the imports having been as follows :—

1874....	\$1,612,295
1875.....	1,637,712
1876.....	1,455,629
1877.....	1,317,917