

likely that the consumption of American coal in Canada would be increased to a like extent, so that Canada's output of coal would not be increased. In 1891-92, Canada imported from the United States of this kind of coal \$1,342,271 more than it exported to that country. The exports of iron and copper ore might be increased under reciprocity, but as the natural resources of ore are so abundant and distributed over so many sections in the United States, the supply for the present has far outstripped the demand there, and it is very questionable whether the competition of Canadian ore would not reduce prices to figures which would be unremunerative. Surely it would be more business-like to adopt a policy under which the ore would be manufactured in Canada, than to export the ore and import the manufactured product. Canada admitted from the United States, during 1891-92, free of duty, products of the mine to the value of \$5,737,000, and, subject to duty, \$4,218,251; together more than double the value of its exports to that country. Is it not clear, that so far as these products are concerned, the United States would be a larger gainer from an increase in this trade than Canada would be?

Nearly the whole of Canada's exports of the produce of the fisheries are from the Maritime Provinces, which were not part of the Dominion in the two former years, but were in the latter year. As the United States duty on fresh herring is $\frac{1}{2}$ cent per lb., and on all other fresh fish $\frac{3}{4}$ cent per lb., the result of the duties appears to have been that a considerable proportion of the fresh fish which three years ago was admitted there free of duty, to be cured or pickled for export, is now being cured and pickled in the Maritime Provinces. The Canadian Trade and Navigation Returns show that the value of fish of all kinds exported to the United States during 1891-92 was \$3,452,036; but the United States returns show that the value entered for consumption there was only \$1,694,730. This is but a very small proportion of the value of the fish exported from Canada, and it is absurd to speak of the United States as being the best and natural market for Canadian fish. During 1891-92, the United States exported of fish, to foreign countries, value \$4,866,074, or about three times the value of its imports from Canada. The best and natural market for Canadian fish is to be found in those countries to which the United States exports so largely, and in which trade that country acts as the middleman between Canada and the consumer. It seems strange that an exporting country like the United States should impose any duty upon fish, the principal effect of the duty being to cripple and curtail its own curing and export trade; and all the more strange in that Canada offers in exchange for free fish, the free use of its own valuable in-shore fishing grounds.

For the same reasons as given with respect to the produce of the fisheries, a comparison of the exports of the products of the forest in 1865-66 and 1866-67, with those in 1891-92, affords very little assistance in estimating the results of the repeal of the old treaty. The value of the boards, planks and deals exported from Canada to the United States was, in 1865-66, \$4,608,551; 1866-67, \$5,043,367; 1891-92, \$7,359,358. The declared value of the imports into the United States was, in 1865-66, \$9.84 per M feet; in 1866-67, \$9.88; in 1891-92, \$11.50. From this it appears that the abrogation of the treaty and the imposition of a duty in 1866-67 did not curtail the demand or reduce the prices paid to Canadian lumbermen.

The United States returns show that the quantities and values of sawed lumber imported from Canada, were:

	1889-90	1890-91	1891-92
M. feet.....	659,703	757,149	943,134
Value.....	\$7,744,954	\$8,408,046	\$7,539,766

In addition to the above dutiable lumber, there was a large quantity of logs, round timber, fence poles, firewood, railway ties, shingle and stave bolts, ship planking and timber, admitted free of duty,

Value.....	\$1,948,334	\$2,347,659	\$2,059,043
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The effect of the reduction in duty has been to reduce the cost to the American consumers. Assuming the average quantity of the lumber imported in 1889-90 to have been the same as in 1891-92, the cost to the consumer, including duty, was \$13.76 per M. feet in the former year, and \$12.69 in the latter, the reduction in price having been almost exactly equal to the reduction in duty. From this, it may be inferred that any future reduction or increase in the rate of duty would lessen or increase the cost to the American consumer. The United States returns show that that country is a large exporter of sawed lumber, in fact, it exports a much greater value than it imports. Its exports were:

	1889-90	1890-91	1891-92
Domestic boards and planks, value....	\$9,703,219	\$9,916,945	\$9,672,493
Foreign ".....	1,071,004	502,683	538,622

In addition to the value of the sawed lumber imported from Canada, the United States obtains a large supply from the lumber sawed from logs imported from Canada. The quantity so obtained, is variously estimated at from 300 to 400 million feet. If, in order to meet the requirements of the home trade and also the demand for export, the United States requires to import such quantities of Canadian lumber and logs, it seems clear that this supply is an absolute necessity to the American trade; and equally clear, that if the United States exports a greater value of sawed lumber than it imports, the imports must be on a par value with that of the exports, and that the consumers must pay the duty. Of what use, then, is the duty except for the sake of the small revenue derived from it? With the prevalent and growing feeling in Canada, in favor of imposing an export duty on logs equivalent to the United States duty on lumber, it would appear to be alike in the interest of American saw mill owners and consumers in the United States, that the duty on sawed lumber should be abandoned.

During the last year of the former treaty, 1865-66, the value of farm produce, exclusive of animals and their products, exported from Canada to the United States was \$13,298,008; consisting of wheat and flour, barley and rye, oats, peas, and other lesser articles. During the year 1866-67, although the treaty had expired, and customs duties had been imposed by the United States on almost all kinds of farm products, the exports of these commodities amounted to \$11,185,227, or nearly as much as during last year of the treaty.

The large exports during these two years of wheat and flour were attributable partly to effects of the war, and partly to deficient wheat crops in the United States, owing to which that country imported from Canada more wheat and flour than it exported to Europe. Conditions have completely changed, the productions of wheat in the United States having increased so enormously that, during the years 1891-92 and 1892-3,