

to be paid (under arbitration) by the United States, for twelve years' enjoyment of the coast fisheries of the Dominion. It was felt that if the large value placed by the Canadian people on their fisheries were not reasonably compensated by the results of the arbitration, a feeling of dissatisfaction might be engendered in the Provinces, not conducive to international harmony; and that if, on the other hand, an award were made equal to the confident anticipations of the Provinces, the good feeling restored in the United States by the Treaty of Washington might be sensibly impaired. To merge the matter in a general measure of mutual commercial concession, for the mutual advantage of both parties, and with injury or injustice to neither, seemed the fitting conclusion to be arrived at by the Governments of two great nations. Her Majesty's Ministers were pleased to adopt the suggestion of the Canadian Government, and the matter having been brought under the attention of the Secretary of State and through him to the notice of the President of the United States, a friendly response was at once received, and the necessary measures instituted for opening formal negotiations."

Honorable gentlemen may therefore dismiss from their minds the false impression that the initiation of this negotiation by the gentleman on the Treasury Benches was in the slightest degree improper or undignified. And I take this opportunity of expressing my regret that heated partisans outside the walls of Parliament should have spoken of the attitude held by the United States Government in these negotiations as if it had been intended to delude or overreach. Nothing could be more unfounded or unjust. The President of the United States, the Secretary of State, and all the other distinguished persons who took an interest in the negotiations, with hardly an exception, showed the most friendly feeling towards Canada, and a sincere desire to bring about more satisfactory commercial relations. True they naturally enough looked at the question from their own point of view—and sought to get an advantageous arrangement for their country; but they never concealed or undervalued the difficulties that stood in the way of success—and to the unsettled condition of the country and the financial difficulties now pressing for adjustment, may, in a great measure, be attributed the unfavorable advice in the matter recently given to the President by the Senate of the United States. And now let me call the attention of honorable gentlemen to the manner in which the negotiations proceeded—and very especially to the fact that all that was

sought by the British Plenipotentiaries was simply the renewal, for a term of years, of the old Reciprocity Treaty, and the concurrent abandonment of the Fishery Arbitration. From the American Government came the suggestion of an enlargement of the scope of the old treaty. Mr. Fish suggested the enlargement of our canals, and he was at once informed that the Canadian Government was ready to treat for their enlargement. Mr. Fish suggested the addition of manufactures to the free list of the proposed Treaty, and here is the reply that was made as officially recorded:—

"In regard to the addition of certain classes of manufactures to the free list under the old treaty, we reminded Mr. Fish that the revenue of the Canadian Dominion was largely obtained from a fifteen 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 Mr. Fish 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."

It was then suggested that a *projet* of a Treaty should be prepared, to form the basis of discussion. That was agreed to—and a *projet* was accordingly prepared and presented to the American Government by the British Commissioners. It suggested:—

- 1.—That the duration of the Treaty should be twenty-one years.
- 2.—That all the conditions of the old Treaty of 1854 should be renewed.
- 3.—That the following additional articles should be added to the Free List of the old Treaty:—

Agricultural implements—to be defined.
Bark, extracts of, for tanning purposes.
Bath bricks.
Bricks for building purposes.
Earth ochres, ground or unground.