

to the consideration of my Government any proposal to that effect which you might do me the honour to communicate to me.

I have, &c.
(Signed) **FREDERICK W. A. BRUCE.**

Inclosure 2 in No. 13.

Mr. Seward to Sir F. Bruce.

Sir, *Department of State, Washington, February 17, 1866.*
I HAVE the honour to acknowledge the receipt of a note which you addressed to me on the 16th instant, concerning a proposed extension of the Reciprocity Treaty. Perhaps I could not reply in any other manner more satisfactorily than I shall now do by stating anew the verbal explanations which I have had heretofore occasion to make to you upon that subject.

The character of the constitutional distribution of public affairs among the different Departments of the Government is well known. It confides commerce and national finance expressly to the Legislature.

The now expiring Reciprocity Treaty constitutes almost the only case in which the Executive Department has, by negotiation, assumed a supervision of any question of either commerce or finance. Even in that case the Executive Department did little more than to make a Treaty, the details of which had been virtually matured beforehand in the Congress of the United States, and sanction was given to the Treaty afterwards by express legislation.

The question of continuing that Treaty involves mainly subjects of the special character which I have before described.

Careful inquiry made during the recess of Congress induced the President to believe that there was then no such harmony of public sentiment in favour of the extension of the Treaty as would encourage him in directing negotiations to be opened. Inquiries made since the re-assembling of Congress confirmed the belief then adopted that Congress prefers to treat the subject directly, and not to approach it through the forms of diplomatic agreement.

In accordance with this conviction, all communications, verbal and written, upon the subject, have been submitted to the consideration of the proper Committees of Congress, and the question of extending a system of reciprocal trade with the British Provinces on our frontier awaits their decision.

I have, &c.
(Signed) **WILLIAM H. SEWARD.**

No. 14.

The Earl of Clarendon to Sir F. Bruce.

Sir, *Foreign Office, March 12, 1866.*
HER Majesty's Government approve the note of which a copy is inclosed in your despatch of the 22nd of February, and which you addressed to Mr. Seward, stating the course Her Majesty's Government would be prepared to take if the Government of the United States were disposed to negotiate a fresh Reciprocity Treaty.

I am, &c.
(Signed) **CLARENDON.**

No. 15.

The Earl of Clarendon to Sir F. Bruce.

(Extract.) *Foreign Office, March 17, 1866.*
IT may be necessary for me to recapitulate very shortly the steps which have been taken by Her Majesty's Government with respect to the Reciprocity Treaty between this country and the United States, which ceases to be in operation this day.