

(d) The North-West Territories shall be divided and organized into territories of the United States not less than three in number with all the rights and privileges of the citizens and Government of Montana Territory, so far as the same shall be made applicable."

It is not known that anything came of this ambitious scheme. If it does not prove, it indicates, the high value some of the public men of the United States placed on the privilege of trading with this country.

MR. BREGA'S REPORT.

In March, 1868, in response to resolutions that the Secretary of the Treasury be directed to communicate to the House of Representatives of Congress, a statement of the trade with the United States and the British North American Provinces, now confederated under the name of Canada, since the abrogation of the Treaty of Reciprocity, showing to what extent, if any, the interest of the United States have been affected by such abrogation, also as to the nature of the arrangements made for securing to American citizens the free navigation of the St. Lawrence and the privilege of fishing in the waters adjacent to Canada, Mr. McCulloch, then Secretary of Treasury, presented a communication prepared by G. W. Brega. In that communication Mr. Brega gives tables of imports, exports, and prices of Canadian produce in Toronto market before and after the repeal of the Treaty, and commenting on them says:

"An examination of these tables shows the remarkable fact that large as were the sales of produce by Canada to the United States under the free admission to our market, yet the prices obtained in Canada, after the termination of the treaty, for such articles was in almost every instance higher than when the treaty was in operation. It cannot be denied that whatever amount of this produce was purchased for consumption in the United States since March, 1866, was purchased at as high prices in the Canadian market, as before the abrogation of the treaty; or that the American consumer was compelled to pay the American duty as well." Mr. Brega also showed that "the duty on Canadian lumber was paid by the American purchaser."

He says: "There can be no doubt that from the returns just given that up to this time, 1868, the abrogation of the Treaty has not affected Canadian interests injuriously; the high price of produce in the United States and the derangement of our currency, probably, acting somewhat in their favor." Referring generally to the effect of the abrogation upon the Dominion of Canada, he says: "The returns already given show that the repeal of the Reciprocity Treaty has not lowered the prices of produce in Ontario and Quebec, while the export of lumber to the United States has not only been greater, but the prices paid for it in Canada are higher now than ever. These results are unexpected in the general belief which prevailed that a different exhibit would be presented consequent upon the imposition of duties on our northern frontier."

MR. HATCH'S THIRD REPORT.

In 1869, Honorable Israel T. Hatch presented a third report to the United States House of Representatives upon the commercial relations of the United States with the Dominion of Canada. In it he said: "The