

It was a formal movement in favor of virtual, if not literal, reciprocity; presenting to the world the example of two contiguous nations abandoning suspicion of injury from each other, and practicing in their intercourse the best principles professed in modern civilization. The omissions in the treaty and its limited character led to its termination.

A brief statement of our commerce with the British provinces, and the revenue derived from them before the adoption of the treaty, and during its decade, is necessary to complete a proper history of the successive changes produced in our commercial relations by its adoption and termination.

EFFECTS OF THE TREATY ON THE REVENUE OF THE UNITED STATES.

The treaty led to a large diminution of our revenue upon the northern frontier. In 1854, the last year unaffected by the treaty, the revenue upon articles included in the free list during subsequent years, and imported from the province of Canada alone, amounted to more than \$1,243,403, and from all the British provinces now included in the dominion, was \$1,524,457. Assuming this as a basis of calculation in the ordinary mode of computing an increase of revenue for the five succeeding years, the revenues would have been \$9,257,586 in the aggregate, or \$1,851,517 annually. On further examination it would be found that the revenues would have increased in the same ratio during the remaining years of the treaty. Official Canadian reports show that in 1859 the amount of duties collected by Canada on imports, the products of American industry from the United States, was \$1,825,135, in 1860 \$1,759,928, and in 1861 \$1,584,892. During these three years the whole value of property imported into this country from Canada, upon which duty was levied, was only, in 1859, \$434,532, in 1860 \$358,240, and in 1861 \$227,859. An examination of subsequent years yields similar results.

The average amount of duty annually levied and collected on Canadian imports in these three years would not exceed \$75,000 annually towards defraying the yearly expenses of collection and guarding a frontier of inland coast six thousand miles in extent.

On a close examination it would be found that a large proportion of the duty-paying articles imported from Canada consisted of commodities not produced in that country.

	1856.	1857.	1858.	1859.
Total amount of duty-paying articles imported into the United States from Canada	\$640, 375	\$691, 097	\$313, 953	\$504, 969
Iron, hardware, and salt not then produced in Canada	503, 995	531, 011	193, 595	319, 555
Amount of Canadian and other goods charged with duties in the United States	136, 380	160, 086	119, 358	185, 414

The preceding statement demonstrates that during these years we had not collected annually duties on much more than \$100,000 in value of merchandise actually produced in Canada, yielding, on an average of 20 per cent., about \$25,000 annually. The following is a comparative statement of the productions of each country imported into the other and charged with duties in it, showing that of the productions of American