

are justified in charging more for a shorter than for a longer haul in order to meet Canadian competition, an expedient to which our railroad companies seldom have recourse, except under the stress of circumstances and conditions beyond their control.

The Interstate Commerce Law of the United States, in important particulars, regulates our railroads in the conduct of both domestic and foreign commerce. Manifestly, therefore, every Canadian railroad which participates in our domestic or foreign commerce in the course of the transit trade, ought at once, by Act of Congress, to be compelled to submit itself to all the requirements of our Interstate Commerce Law, as a condition to its continuance in the business. To bind our own railroads by law and then allow their throats to be cut at leisure by the Canadian railroads, would be almost as baneful as Canadian diplomacy.

The propriety of the above-mentioned restraint upon the Canadian railroads is evident from the fact that the Interstate Commerce Act now prescribes against the Canadian railroads for the comparatively small offence of neglecting to publish rates, the penalty of subjecting all goods transported "in transit" to the payments of customs duties.

While the Dominion of Canada is able to secure so much more from our policy of letting important international interests go at loose ends and from diplomacy, than she can possibly secure from a reciprocity which gives as much as it takes, she will undoubtedly prefer to maintain the *status quo* of her present political conditions to either commercial or political union with the United States, or to independent nationality, especially as her colonial condition imposes upon her no financial obligations to the mother country, while securing to her