

ments were expensive, useless, and breeders of suspicion, and he saw no reason for not continuing the Agreement in view of the active efforts of the Canadian authorities. Happily the storm appeared to be clearing, and on March 8th, 1865, Mr. Seward, on behalf of the United States' Government, instructed Mr. Adams to announce that they had decided to abide by the Agreement. There was some ambiguity in Mr. Seward's instructions, which caused misapprehension in England as to whether the previous abrogation had been rendered inoperative. This led to some further correspondence between the two Governments. In Mr. Seward's note to the American Minister he had said:

"You may say to Lord Russell that we are quite willing that the convention should remain practically in force; that this Government has not constructed or commenced building any additional war vessels on the lakes or added to the armament of a single one which was previously its property; and that no such vessel will, in future, be built or armed by us in that quarter. It is hoped and expected, however, that Her Majesty's Government, on its part, so long as this determination shall be observed in good faith by that of the United States, will neither construct nor arm nor introduce armed vessels in excess of the force stipulated for by the convention referred to."

On August 19th, 1865, the British Minister at Washington wrote to Mr. Seward to say that his Government understood from the notice that the Agreement contained in the convention of 1817 would continue in force unless it should be thereafter terminated by a fresh six months' notice. On August 22nd, 1865, Mr. Seward replied that the statement of Her Majesty's Government was accepted as a correct interpretation of the intention of the Government of the United States.

One event which should not be overlooked in the consideration of Canadian-American relations, was the curious refusal of the United States, in 1885, to allow a Canadian troop ship, chartered to suppress the Riel rebellion, to pass through the Soo canal. This action had largely to do with the decision to build a canal on our side of the St. Mary's River, and it is somewhat striking that ninety per cent. of the present traffic through our canal is American.

Another agitation for the abrogation of the Agreement of 1817 arose during the nineties, principally through the development of the American ship-building yards on the lakes. These yards were debarred from competing for the construction of war ships, as the Agreement is extremely explicit, viz.: that they should neither build nor maintain. It was, however, felt that in view of the refusal to grant permission to pass one of our war ships through the American canal, the Government of the States could not well ask us to allow them to use our canals for the removal of war ships from the lakes to the ocean.

In 1895, the Venezuelan dispute drew special attention to the Rush-Bagot Agreement. At this time the Detroit Dry Dock Company had been refused a contract for two twin-screw gunboats, on which they had sub-