

PART II.—THE RECIPROCITY TREATY.

Former
Imperial
restrictions
of
trade.

318. Previous to the year 1846, the trade between the British North American Provinces and the United States had been very much hampered and restricted by the laws of Great Britain in regard to her Colonies.

Trade of
B. N. A.
Provinces
and U. S.,
1821-1845.

319. According to the United States official returns for the years 1821 to 1845, both inclusive, the total imports from the States into the British North American Provinces, including Newfoundland, amounted to \$90,124,195, and the exports from the Provinces into the States only reached the sum of \$31,040,834, showing a balance in favour of the United States of \$59,083,361.

Changes
in the
system of
trade.

320. In 1846 England abandoned the old colonial system of trade, the heavy duties on imports from foreign countries were repealed, most of the productions of the Colonies were placed on the same footing as those of other countries, and the Colonies themselves were empowered to repeal the differential duties in favour of British produce imposed by former Imperial Acts. In the same year the American Government secured the enactment of an international drawback law.

Trade of
B. N. A.
Provinces
and U. S.,
1850-1854.

321. The immediate effect of these changes upon the trade between the Provinces and the States was very considerable, as will be seen in the diagram sheet No. 1 at the end of this book, the figures in which are taken from both United States and Canadian accounts, the presumption being that greater care is taken by the officials of each country in the particulars relating to imports, upon which duties are collected, than in those relating to exports. The exports from the Provinces are therefore taken from the United States official statement of imports, and similarly the imports into the Provinces are taken from Provincial sources.