

carried on for nearly a year between the two Governments, assisted by the representatives of Canada, Nova Scotia and New Brunswick, who went to Washington for that purpose, but without any result, and all attempts at arrangement came finally to a close in February, 1866, a few weeks before the expiration of the treaty.

Failure of negotiations for renewal.

Termination of treaty.

342. The treaty came to an end in due course on 17th March, 1866. The trade of the British North American Provinces had hitherto been practically confined to two markets, viz., Great Britain and the United States, and their products only found their way to foreign countries through United States ports, by which they lost their identity and became confounded with American productions. In the face of the termination of the treaty, it became necessary that vigorous steps should be taken towards the opening of new markets, and all the Provinces combined for that purpose. Commissioners were sent out to arrange for the opening of direct traffic with the West Indies, the enlargement and improvement of the canals, and other means of navigation were actively proceeded with, and the confederation of the Provinces was undoubtedly brought about sooner than it would otherwise have been.

Customs changes after repeal of treaty.

343. As soon as the treaty was repealed, the United States imposed heavy duties on almost all the articles imported under it from the Provinces, while but little change was made in the tariff on this side of the line, and the use of the Canadian canals and the free navigation of the St. Lawrence were still left open to American shipping. The inshore fisheries of the St. Lawrence and British North American coasts were also kept open to American fishermen on payment of a small annual license fee. (See *Post*, "Washington Treaty.")

Increase in Canadian trade

344. In spite of the heavy blow necessarily inflicted on the commerce of the Provinces by the abrogation of the