

enjoy, in perpetuity, the use of these inshore fisheries in common with British fishermen, and mentioned \$1,000,000 as the sum they were prepared to offer. The British Commissioners replied that this offer was wholly inadequate and that no arrangement would be acceptable of which the admission into the States free of duty, of fish the, produce of the British fisheries did not form a part, adding that any arrangement for the acquisition by purchase of the inshore fisheries in perpetuity was open to grave objection.

“The American Commissioners inquired whether it would be necessary to refer any arrangement for purchase to the colonial and provincial Parliaments.

“The British Commissioners explained that the fisheries within the limits of maritime jurisdiction were the property of the several British colonies and that it would be necessary to refer any arrangement which might affect Colonial property or rights to the Colonial or Provincial Parliaments; and that legislation would also be required on the part of the Imperial Parliament. During the discussions the British Commissioners contended that these inshore fisheries were of great value and that the most satisfactory arrangements for their use would be a reciprocal trade arrangement and reciprocity in the coasting trade; and the American Commissioners replied that their value was over-estimated; that the United States desired to secure their enjoyment, not for the commercial or intrinsic value, but for the purpose of removing a source of irritation, and that they could hold out no hope that the Congress of the United States would give its consent to such a tariff arrangement as was proposed, or to any extended plan of reciprocal free admission of the products of the two countries; but that inasmuch as one branch of Congress had recently more than once expressed itself in favor of the abolition of duties on coal and salt, they would propose that coal, salt and fish be reciprocally admitted free; and that inasmuch as Congress had removed the duty from a portion of the lumber heretofore subject to duty, and as the tendency of legislation in the United States was towards the reduction of taxation and of duties in proportion to the reduction of the public debt and expenses, they would further propose that lumber be admitted free from duty, from and after the 1st of July, 1874, subject to the approval of Congress, which was necessary on all questions affecting import duties.

“The British Commissioners, at the conference on the 17th April, stated that they had referred the offer to their Government and were instructed to inform the American Commissioners that it was regarded as inadequate, and that Her Majesty's Government considered that free lumber should be granted at once and that the proposed tariff concession should be supplemented by a money payment.

“The American Commissioners then stated that they withdrew the proposal which they had previously made of the reciprocal free admission of coal, salt and fish, and of lumber after July 1st, 1874; that that proposal had been made entirely in the interests of a peaceful settlement and for the purpose of removing a source of irritation and of anxiety, that its value had been beyond the commercial or intrinsic