

I explained in my telegram of the 17th February,* that the circumstances connected with Mr. Bond's second visit to Washington had been incorrectly referred to in the former Resolutions, and I regret to observe that on this point, as well as in respect of other errors which I had corrected in my Despatch of the 12th February,† the House of Assembly has again been invited by your responsible advisers to record an inaccurate view of the transactions referred to.

At the request of the United States Secretary of State, Mr. Bond was, on the 14th November, invited to return to Washington to "furnish information as to certain statistics and explanations necessary in connection with the proposed convention," but it was in no way suggested that the convention could then be concluded.

The correspondence about to be published shows this fact very distinctly.

It appears that while at Washington Mr. Bond, without reference to Her Majesty's Minister, had several interviews with Mr. Blaine, which resulted in a remodelling of the draft convention as prepared and presented to Mr. Blaine by Sir J. Paucefote. This new draft he handed to Her Majesty's Minister on the 16th December, with a statement that it would be most acceptable to Newfoundland, and that Mr. Blaine was also prepared to accept it. Sir J. Paucefote (who had received no reply from the United States Government to his communication presenting the original draft) at once informed Mr. Bond that he would keep the draft for reference in case Mr. Blaine should make any proposal to him founded upon it, but that he could take no cognizance of anything that might have passed between Mr. Bond and Mr. Blaine during his absence. Mr. Bond readily admitted this, and said that Mr. Blaine would no doubt communicate the draft to Sir J. Paucefote as a counter-proposal. It was not, however, till the 6th January that Mr. Blaine communicated the counter-draft to Her Majesty's Minister, and this fact, which was known to your Ministers, does not appear to have been pointed out to the Legislature.

I have, in my Despatch already referred to, explained the circumstances in which Her Majesty's Government consented to the opening of the negotiations, and I have pointed out that such consent could not be construed into a pledge or obligation on their part to conclude and ratify any convention without full consideration being given to other interests likely to be affected by it.

In the Resolution of the 6th instant your Ministers invited the House of Assembly to state that the question whether other interests might impede the desired separate convention should have been considered before, and not after, negotiations were entered upon; but it should have been obvious to your Ministers that if that question had been raised in the first instance it would almost certainly have been decided that power could not be given to Newfoundland to negotiate the desired separate convention without the concurrence of Canada, while there appeared to be some hope that in working out the convention it might be brought into a shape not directly detrimental to other British interests, and be made to include such provisions as would enable Canada to become a party to it.

I regret that the measures which Her Majesty's Government felt it to be their duty to take in connection with the proposed convention, and the course of the proceedings, should not have been stated in the Newfoundland Legislature with precise accuracy.

I request that you will lay this Despatch before both Houses of the Legislature.

Sir Terence O'Brien.

I have, &c.
(Signed) KNUTSFORD.