No. 8.

The LORD LISGAR to The EARL OF KIMBERLEY.

Cacouna, August 15, 1871.

(Signed)

I have, &c.,

LISGAR.

MY LORD, (Received August 30, 1871.) (Answered, No. 561, November 23, 1871, page 11.) WITH reference to your Lordship's Despatch, No. 444,* of the 17th June, which * Page 4. I duly referred to the Privy Council of the Dominion, I have the honour to transmit, July 28, 1871. herewith, the Report of a Committee of that body, containing their views on the subject of the Treaty of Washington, in so far as it affects the interests of Canada.

The Earl of Kimberley, &с. &с. &c.

(No. 149.)

Enclosure in No. 8.

Privy Council Chamber, Ottawa, Friday, July 28, 1871. Present:—The Hon. Dr. Tupper, in the chair; the Hon. Sir John A. Macdonald, the Hon. Sir George Et. Cartier, the Hon. Mr. Tilley, the Hon. Mr. Mitchell, the Hon. Mr. Campbell, the Hon. Mr. Chapais, the Hon. Mr. Langevin, the Hon. Mr. Howe, the Hon. Sir Francis Hincks, the Hon. Mr. Dunkin, the Hon. Mr. Aikins.

> To His Excellency the Right Hon. John, Baron LISGAR, G.C.B., G.C.M.G., P.C., Governor-General of Canada, &c. &c. &c.

MAY IT PLEASE YOUR EXCELLENCY,

The Committee of the Privy Council have had under their consideration the Earl of Kimberley's Despatch to your Excellency, dated the 17th June ult., transmitting copies of the Treaty signed at Washington on the 8th May last by the Joint High Commissioners, and which has since been ratified by Her Majesty and by the United States of America; of the instructions to Her Majesty's High Commis-sioners, and of the Protocols of the Conferences held by the Commission; and likewise the Earl of Kimberley's Despatch of the 20th of June ult., explaining the failure of Her Majesty's Government to obtain the consideration, by the United States' Commissioners, of the claims of Canada for the losses sustained oning to the Forian mide of 1966 and 1870 sustained owing to the Fenian raids of 1866 and 1870.

The Committee of the Privy Council have not failed to give their anxious consideration to the important subjects discussed in the Earl of Kimberley's Despatches, and they feel assured that they will consult the best interests of the Empire by stating frankly, for the information of Her Majesty's Government, the result of their deliberations, which they believe to be in accordance with public opinion in all parts of the Dominion.

The Committee of the Privy Council readily admit that Canada is deeply interested in the maintenance of cordial relations between the Republic of the United States and the British Empire, and they would therefore have been prepared without hesitation to recommend the Canadian Parliament to co-operate in unerefore have been prepared without nesitation to recommend the Canadian Farnament to co-operate in procuring an amicable settlement of all differences likely to endanger the good understanding between the two countries. For such an object they would not have hesitated to recommend the concession of some valuable rights, which they have always claimed to enjoy under the Treaty of 1818, and for which, as the Earl of Kimberley observes, Her Majesty's Government have always contended, both Governments having acted on the interpretation given to the Treaty in question by high legal authorities. The general dissatis-faction which the publication of the Treaty of Washington has produced in Canada, and which has been expressed with as much force in the agricultural districts of the west, as in the maritime provinces, arises chiefly from two causes

chiefly from two causes. 1st. That the principal cause of difference between Canada and the United States has not been removed 1st. That the principal cause of dimerence betw by the Treaty, but remains a subject for anxiety.

2ndly. That a cession of territorial rights of great value has been made to the United States, not only without the previous assent of Canada, but contrary to the expressed wishes of the Canadian Government.

The Committee of the Privy Council will submit their views on both those points for the information of Her Majesty's Government, in the hope that by means of discussion a more satisfactory under-standing between the two Governments may be arrived at. The Earl of Kimberley has referred to the rules laid down in Article 6 of the Treaty of Washington, as to the international duties of neutral Governments as being of special importance to the Dominion; but the Committee of the Privy Council, judging from past experience, are much more apprehensive of misunderstanding owing to the apparent difference of opinion between Canada and the United States as to the relative duties of friendly States in a time of peace. It is unnecessary to enter into any lengthened discussion of the conduct of the United States during the last six or seven years with reference to the organization of considerable numbers of the citizens of those States under the designation of Fenians. The views of the Canadian Government on this subject are in possession of Her Majesty's Government; and it appears from the Protocol of Conference between the High Commissioners that the British Commissioners presented the claims of the people of Canada, and were instructed to state that the Brunsn Commissioners presented the claims of the people of Canada, and were instructed to state that they were regarded by her Majesty's Government as coming within the class of subjects indicated by Sir Edward Thornton in his letter of 26th January last, as subjects for the consideration of the Joint High Commissioners. The Earl of Kimberley states that it was with much regret that Her Majesty's Government acquiesced in the omission of these claims from the general settlement of outstanding questions between Great Britain and the United States; 'and the Committee of the Privy Council, while fully participating in that regret, must add that the fact that this Fenian B 2

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