

20th of October, 1818, between Great Britain and the United States, and I am to convey to you his Lordship's thanks for the clear, able, and convincing report by which you have elucidated that difficult and complicated question.

I am at the same time to inform you that his Lordship has directed the Chief Clerk of this Office to pay to you the sum of 100 guineas as the fee to which you are entitled for the trouble which you have bestowed on this matter.

I am, &c.
(Signed) E. HAMMOND.

No. 20.

Mr. Merivale to Mr. Hammond.—(Received May 26.)

(Confidential.)

Sir,

Downing Street, May 26, 1854.

I AM directed by the Duke of Newcastle to acknowledge your letter of the 13th instant, and in compliance with the request therein made to transmit to you two copies of the first part of the papers relative to the fisheries of British North America.

I am, &c.
(Signed) HERMAN MERIVALE.

No. 21.

Mr. Hammond to Mr. Peel.

(Confidential.)

Sir,

Foreign Office, May 27, 1854.

WITH reference to my letter of the 9th instant, communicating to you copies of instructions given by the Earl of Clarendon to the Earl of Elgin, respecting the settlement of pending questions with the United States in regard to fishery and commercial intercourse, and to your reply of the 16th instant, I am directed by his Lordship to transmit to you, for the information of the Duke of Newcastle, copies of further instructions which Lord Clarendon has given to Lord Elgin in regard to the question of including Newfoundland in the negotiations which Lord Elgin may open with the United States.

I am, &c.
(Signed) E. HAMMOND.

No. 22.

The Earl of Elgin to the Earl of Clarendon.—(Received June 26.)

My Lord,

Government House, Quebec, June 12, 1854.

I SEND herewith, by special messenger to New York, a Treaty executed on Monday the 5th of June by Mr. Secretary Marcy on behalf of the Government of the United States, and myself on behalf of that of Great Britain, on the subject of the fisheries and reciprocity of trade between the United States and the British Provinces in North America.

I adopt this course because I find on my arrival here, that the usual weekly mail for England has already been dispatched, and because I am unwilling that any delay should take place in the transmission of this important document.

2. In coming to an understanding with the Government of the United States on the provisions of this Treaty, the main obstacle which presented itself was the case of Newfoundland. I received your Lordship's final instructions on this points, contained in your despatches Nos. 6 and 7 of May 12, only two days before the period beyond which it was impossible that my visit to Washington should be protracted. Those instructions, as your Lordship is aware, suggested difficulties which stood in the way of the inclusion of Newfoundland in this Treaty, very much more serious than those which were anticipated at the time when your Lordship's despatch No. 5 of 4th May was addressed to me. I proposed to Mr. Marcy in the first instance, as the simplest mode of dealing with the question, that Newfoundland should be altogether omitted from the present Treaty, and a