

"most-favoured-nation" clause of existing Treaties. To undertake, therefore, to have a Reciprocity Treaty with any nation by which more favours are given to one than to another would be in violation of existing Treaty obligations. Beyond this, any Treaty with Canada has to be made with the condition that the same favours that Canada grants are to be granted to Great Britain, thereby making the whole stipulation utterly valueless so far as the United States are concerned, unless American labour is put upon the level of that of Great Britain in order to undersell in Canada.

Mr. Hoar replied that the question of the general policy of Reciprocity Treaties was not involved in this Resolution. It was only intended against the attempt of Canada to compel the United States to open their market to Canadian fishermen, an attempt which is clearly indicated in a speech of Sir John Macdonald, who declared that his policy was to compel the United States to open their markets, and that if he persisted in it the Canadian people might confide in him, and that the result should be accomplished. It was to defeat this attempt that his Resolution was directed. He did not intend to press a division, and would allow it to go over under the assurance that the Finance Committee, to which it was referred, would deal with it at once.

No. 62.

Mr. Bramston to Sir J. Pauncefoot.—(Received March 14.)

Sir, *Downing Street, March 12, 1887.*

WITH reference to previous correspondence relating to the North American Fisheries question, I am directed by Secretary Sir Henry Holland to transmit to you, to be laid before the Marquis of Salisbury, a copy of a telegram which was sent to the Governor-General of Canada on the 8th instant, upon the subject of the proposal contained in the 3rd Article of the basis of an arrangement recently suggested on behalf of the United States' Government by Mr. Bayard.

I am also to inclose the decypher of a telegram which has been received from the Governor-General in reply.

Sir Henry Holland, as at present advised, is disposed to think that there is considerable force in the Governor-General's observations relating to the difficulty which, owing to the extent of coast-line, would be experienced in the cases of vessels seized being promptly dealt with by the national vessels referred to.

I am, &c.
(Signed) JOHN BRAMSTON.

Inclosure 1 in No. 62.

Sir H. Holland to the Marquis of Lansdowne.

(Telegraphic.)

March 8, 1887.

BAYARD'S Arrangement, Article 3.

If last sentence of Article omitted we think joint action of cruisers desirable, and Canadian jurisdiction might be preserved by provision that unless officers agree to release, vessel shall be sent to Halifax. We would also omit words in second sentence defining violations of Convention.

Inclosure 2 in No. 62.

The Marquis of Lansdowne to Sir H. Holland.

(Telegraphic.)

March 10, 1887.

YOUR telegram of 8th.

Final answer cannot be sent for two or three days. Some of our objections removed by your amendments, but fear that the national vessels would not be accessible when required, owing to length of coast-line, about 3,000 miles, to be protected. This would occasion prolonged detention of seized vessels. We also doubt whether naval officer would be competent to deal with disputed points of law which would be undoubtedly raised.