

Inclosure 1 in No. 137.

The Earl of Kimberley to the Officer Administering the Government of Newfoundland.

Sir,

Downing Street, June 7, 1881.

I HAD the honour to inform you, in my telegram of the 31st ultimo, of the settlement of the Fortune Bay question by the payment of 15,000*l.* to the United States' Government.

The inclosed copy of a letter which I caused to be addressed to Sir William Whiteway will place you in possession of the reasons which, in the opinion of Her Majesty's Government, rendered it advisable to agree that 15,000*l.* should be paid to the United States' Government in satisfaction of all claims up to the 4th of March last, rather than to enter upon an inquiry with a view to determine the amount of the compensation due to the American fishermen.

In this amount has been included the settlement of the claims of United States' fishermen, known as the Aspee Bay claims, and I have addressed a despatch to the Governor-General of Canada, informing him of the agreement which has been arrived at.

The papers relating to the subject will shortly be laid before Parliament, and will be communicated to you in due course.

I have, &c.
(Signed) KIMBERLEY.

Inclosure 2 in No. 137.

The Earl of Kimberley to the Marquis of Lorne.

My Lord,

Downing Street, June 2, 1881.

I HAD the honour to inform you in my telegram of the 31st ultimo, that the Aspee Bay question has been settled in conjunction with the Fortune Bay claims.

The depositions of the American fishermen with regard to the occurrences at Aspee Bay are contained on pp. 138-141 of the message from the President of the United States (46th Congress, 2nd Session, Ex. Doc. No. 84), a copy of which is no doubt in the possession of your Lordship's Government.

Her Majesty's Government had been for some time in communication with the United States' Government on the subject of the Fortune Bay claims, and in order to avoid an expensive inquiry with a view to the assessment of compensation to the American fishermen, and the consequent protraction of an irritating controversy, it was at length agreed that the question should be settled at once by the payment of a sum of 15,000*l.*

In this amount has been further included the settlement of the Aspee Bay claims and all other claims up to the 4th March last, it being understood that this payment is made without prejudice to any question of the rights of either Government under the Treaty of Washington.

I have, &c.
(Signed) KIMBERLEY.

Inclosure 3 in No. 137.

Sir W. Whiteway to Mr. Herbert.

Sir,

British Hotel, June 2, 1881.

I HAVE the honour to acknowledge the receipt of your letter of the 26th ultimo relating to the occurrences in Fortune Bay in 1878. I will take the earliest opportunity of communicating the purport of the same to my colleagues.

I have, &c.
(Signed) W. V. WHITEWAY.