

preventing United States' fishermen from fishing in Canadian waters, and also from making Canada a base of supplies for their operations in connection with the deep-sea fisheries.

They have, however, always been willing to share either or both these advantages with the fishermen of the United States, provided that a fair equivalent were conceded in the shape of a modification of the American Tariff in favour of Canadian products.

The United States' Government have contended that while the Canadian Government were justified in preventing fishing in their territorial waters, the refusal of ordinary commercial facilities to American fishermen was contrary to the comity of nations, and tended to pervert a Treaty of Amity, relating solely to the fisheries, into an instrument of injury to commercial intercourse.

The United States' Government have on the present occasion repudiated any desire to share the inshore fisheries of Canada, and the point in dispute has therefore been limited to the question of commercial facilities.

In the course of the discussion, it became evident that there existed a substantial agreement on the main facts of the case, and that while on the one hand the United States were ready to recognize the right of Canada to guard the interests of her fishermen in competition with those of the United States, and to withhold any special advantages conferred by the proximity of her ports and harbours to the common fishery grounds, and not expressly secured to the United States by Treaty, the Canadian Government, on the other hand, were ready to afford all possible convenience and assistance which the claims of humanity or the courtesy of nations would justify, provided that these concessions were not abused or construed into the surrender of privileges essential, or, at the least, important, to the successful prosecution of the fishing industry.

The Treaty now submitted gives expression to these views. It provides for the full concession of all commercial facilities to fishing-vessels of the United States, whenever and so long as the products of Canadian fisheries are admitted free into the United States.

In the absence of such an arrangement, the Treaty establishes the future position of the respective parties and defines their rights. It provides for the delimitation of the exclusive fishing waters of the British Colonies, substantially on the basis of the North Sea Fishery Convention. It establishes a prompt and economical procedure for dealing with breaches of the Treaty or of any laws and regulations affecting the fisheries; and while expressly excluding American fishermen from obtaining fishing supplies, it pledges the Governments of Canada and Newfoundland to afford to them every assistance and convenience that can be fairly asked for on grounds of humanity or international courtesy.

It also enlarges the conditions under which American fishermen have hitherto enjoyed the rights secured to them by the Convention of 1818.

Your Lordship will observe that the Plenipotentiaries have exchanged Protocols on the subject of a *modus vivendi* for a period of two years, in order to allow ample time for the consideration by the Senate of the United States and by the Legislatures of Canada and Newfoundland of the principal instrument.

By this arrangement, United States' fishermen will enjoy temporarily the advantages and commercial facilities contemplated by the Treaty in consideration of a licence issued at a moderate fee by the Governments of Canada and Newfoundland.

It may be hoped that in this way all possibility of the recurrence of the irritating incidents which marked the fishery season of 1886, and in a less degree that of 1887, may be obviated. I venture to hope that these arrangements will be approved by Her Majesty's Government, and that they may assist in confirming and extending the friendly and cordial relations between the United States and Great Britain.

I have great pleasure in saying that the relations between the British Plenipotentiaries have been of the most cordial and harmonious character throughout the whole of this protracted discussion. The desire felt by Sir Lionel West and myself to remove all just cause of irritation has been fully shared by Sir Charles Tupper, whose intimate knowledge of the subject of controversy has materially contributed to the successful issue of the negotiations. I have also to acknowledge the great advantage I have derived from the tact and large experience of Sir Lionel West.

Mr. Winter, Attorney-General of Newfoundland, was in Washington during the greater part of the proceedings, and was able to keep the British Plenipotentiaries fully informed of the views of his Government. At the request of the British Plenipotentiaries, Mr. Winter was invited to lay before the Conference the special case of Newfoundland, and presented a Memorandum dealing with the subject, which has already been forwarded to your Lordship.