agreed in principle that the difference shall be referred to arbitration, and we hope that the terms on which that arbitration is to be established are almost agreed upon. I believe there are very few points of difference remaining, but in the meantime the question raised by the motive which mainly actuates the United States, namely, the desire to prevent the extermination of the animal whileh sustains a valuable industry,

remains unsolved.

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There are many persons in the United States who are of opinion that if we wait nutil the arbitration is completed a very serious, if not a fatal, blow may have been struck against that industry. There is no doubt that the catch of seals has increased largely of recent years, and some experts declare that grounds which were formerly covered with them are now almost denuded. I do not at all concede that that opinion is universal. The Government of Canada doubts very much whether the statistics on this point are correct. At all events, these apprehensions have this circumstance in their favor, that unrestricted permission to all nations to hunt the seal at all times has resulted in other parts of the world in its entire extermination. Formerly seals were common on the coasts of South America and those of the Falkland Islands: now they are hardly to be found there. There is, therefore, a serious danger to be averted, and we can hardly wonder that the United States should be auxious that an industry which is so very valuable should not incur any danger from neglect. They propose that over that part of the sea which they are authorized to deal with, and on all the islands and coasts belonging to the United States, there shall be no seal killed until the month of May, 1892, if Her Majesty's Government will arrest the progress of British seal houting in the same waters during the same time.

It seems to us that on the whole the proposition is a reasonable one, and we should be fully incurring the censure, not only of the United States, but of the civilized world, if by adhering too closely to any technical right we should run the risk of the destruction of this valuable industry and of a valuable animal. Of course we are aware that some injury may be done by these arrangements to private interests, the claims of which it will be necessary to meet. The notice has come late in the year, and the seal houters have made preparations which can not now be stopped. Ships have been fitted out for scaling in these particular waters which may not be able to find employment elsewhere. On the other hand, there is no donbt that scals that are caught more to the west will very much rise in price, and a certain compensation will to that extent be afforded. It is impossible to say beforelized whether there will be any practical loss or not. The consent of the Dominion Government to the bill we propose mainly turns on one or two points. First, we are agreed with respect to arbitration, if the United States agree with us, which I believe they fully intend to do. Secondly, they are agreed that compensation should be given whenever there has been a real loss in consequence of the action of the British Government. Who is to pay that compensation is a vexed question. We do not deny that a part may properly fall on the British Government, but we are inclined to dispute that the whole should do so.

I do not know what is the view taken by the Dominion Government; but time presses, and it would be impossible to defer action until, by the exchange of telegrams this difficult question should have been solved. Therefore, as in the first instance, as stated in the House of Commons, we have assumed the liability. I do not know that in any case it can be heavy. The provisions of the bill are few, and I do not think they lend themselves much to criticism. There is only one change we desire to be allowed to make in the bill; it is not a large matter, and it is in the nature of restricting rather than extending its action. I wish to alter the first clanse, which prohibits the catching of seals by British ships "in Behring Sea," by adding "or any such part thereof as may be named in the said order." I do not know how far the Dominion will be inclined to go, but this is not a question of principle and there is no other alteration. It will be convenient if your lordships, after reading the bill a second time, will pass it through its remaining stages; but if there is a strong objection to that course, I will not press it. Time is running out, and every day or two is of importance. With these observations, I move the second reading of the bill.

The Earl of Kimberley. " "With regard to the bill itself, I have no criti-

The Earl of Kimberley. " With regard to the bill itself, I have no criticism to offer, and I would rather confine myself to an expression of satisfaction at the prospect of this controversy being terminated. I have had the opportunity, as your lordships have had, of reading the dispatches of the noble marquis, and I have seen with great pleasure the firmness with which he has maintained the rights of this country to use an open sea. At the same time in matters of this kind, which influence the relations between this country and the United States, it is clear that it is an advantage to both that disputes arising between the two countries should be settled by arbitration and by peaceful means, and therefore I welcome the announcement of the noble marquis that the terms of arbitration are practically settled, so that we may look forward to a specify termination of the dispute. I now only ask the noble marquis for information upon the point whether nu understanding with Russia has been arrived at. I am sorry to hear that no agreement has been come to with the Govern-

ment of thappears that all even Canada. House will

On the of The Mar the Queen in Behring scribed in The ame

No. 592.]

SIR: I newspape George B Sea quest I h

Speaking Liverpool, Sea. He si icate questi but that at to show th cheers. ] H

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