

been greatly abused by the Americans during the last few years, and it is not unlikely that on the slightest pretext, or on a vague suspicion that vessels are in pursuit of seals, American naval officers may, in the future, as in the past, search such vessels, seize them, and order them home. The two Governments agree "to prohibit the use of any British or United States' port by any persons for any purposes whatsoever connected with the operation of pelagic sealing, and to prohibit the importation or bringing of any undressed fur-seal skins taken by such prohibited pelagic sealing into any British or United States' port." It is presumed that the Governments of Russia and Japan will agree to maintain the same prohibitions, and it will thus be almost impossible for any vessels to carry on pelagic sealing. In these circumstances, there seems to be no sufficient reason for conferring on American officers the right to "seize and detain" British vessels.

It should also be observed in connection with the general prohibition against pelagic sealing that the Russian and Japanese seal rookeries will benefit largely from it in the future, and that apparently there has been no question of asking the Governments of Russia and Japan to contribute to the compensation of the pelagic sealers.

With regard to the annual payment to be made by the United States' Government, it would be more satisfactory if the percentage could be calculated, not on the gross amount received by the United States' Government, or which it is entitled to receive from any persons in respect of the right to take fur-seals on the Pribyloff Islands, but by taking a fixed sum per head, or per 1,000, on the actual number of seals killed on the islands or brought into the market for sale.

Alaska Boundary.

The question presents great difficulties.

Lord Herschell held that under the Treaty of 1825 with Russia, Great Britain was entitled to a great part, or at all events to the upper part, of the Lynn Canal, although he did not pretend to predict with any certainty what the decision of an Arbitrator might be.

After arriving at a conclusion as to the true interpretation of the Treaty, the Arbitrator would have to take into account the facts that the Americans have been in possession of the whole canal for some few years, and that two towns, Dyea and Skaguay, have sprung up under American auspices, and are now under American Administration. Lord Herschell recognized that it is practically impossible to oust the Americans from those places; and our case in this respect is weakened because no protest was ever made by Her Majesty's Government against the occupation of the disputed territory.

The American Commissioners were no doubt much impressed with the weight of Lord Herschell's arguments; Senator Gray, who was on the Committee at Quebec, admitted quite recently, in a private and confidential manner, that he thought our case a strong one. Even before Lord Herschell appeared on the scene, the United States' Government showed a strong disinclination to refer the matter to arbitration.

In these circumstances, the Americans made two very substantial offers in the way of concession. The first, on the 14th December, was that British vessels should be allowed to trade with any port on the Lynn Canal on terms of absolute equality with American vessels, and that every possible facility should be afforded to British subjects. The text of this proposal left no doubt whatever that British vessels would be allowed to participate in the carrying trade between other American ports and those on the Lynn Canal. The second was that Pyramid Harbour should to all intents and purposes become a British port for a considerable number of years, the Americans retaining only the nominal sovereignty. This proposal would likewise have enabled British vessels to trade between American ports and Pyramid Harbour.

The negotiations broke down, partly because the proposed surrender of Pyramid Harbour leaked out and gave rise to a violent agitation in the Western States, but still more because the Americans interested in the carrying trade from San Francisco and elsewhere discovered that they were threatened with competition. Lord Herschell regretted that the original proposal had not been accepted by us, but when the agitation arose he felt it was too late to go back to it, especially as the American Commissioners could not be persuaded to take a strong line against an organized body of ship-owners.

The reason for asking for Pyramid Harbour, independently of our belief that