

cularly if excluded from this privilege in the Dominion, seems a perfectly correct conclusion, and serves practically to illustrate the desirability of British fishermen retaining the undivided control of so important an element as the bait supply, giving them a vantage ground over their bounty sustained rivals."

The treatment extended to Canada by the Newfoundland Government does not accord with Sir William Whiteway's promise at the conference with the Canadian representatives in London in August, 1890, to do what he could to meet the difficulty, when the report of the Commission of Enquiry had been received, nor with his express recognition of "the importance of having the most cordial relations between Newfoundland and Canada."

The Dominion Government regrets the reference made by the Newfoundland Government to the action of the Government of Canada respecting the proposed Convention between that country and the United States, as introducing an element foreign to the question at issue.

The action of Canada in requesting Her Majesty's Government to refuse to sanction a separate treaty designed to place foreign fishermen on a footing in British waters detrimental to British subjects, can scarcely be regarded as affording justification for the refusal to permit the Canadian subjects of the Queen to enjoy their rights in British waters.

In conclusion the Government of Canada desire to observe that the opinion held by Sir Robert Thorburn, at the time of the negotiations for the Bait Act, was of a different character to the views which appear to actuate the Newfoundland authorities at present, respecting the application of the Bait Act to Canadians and the discrimination against Canada in favour of the United States.

In his letter to the Colonial Office of the 27th April, 1887, Sir Robert says in relation to the request of the Canadian Government that the Assent to the Bait Act should be delayed until Canadian opinion had been expressed relative to its interpretation.

"I feel constrained to say that such opinion is at entire variance with the spirit and intention of the Act, and feeling certain that such is the case, I waive consideration of the question how far the Government of Canada, or indeed, that of any government save that of Her Majesty, has any right to interfere in a question which involves the rights of the legislature of Newfoundland to make such laws as it may deem proper for the regulation of its own internal affairs and the conservation of its property rights which are not affected by treaty obligations, nor in their operations under the proposed Act, interfering differentially with the privileges of any portion of Her Majesty's subjects."

The Minister of Marine and Fisheries could not close his report without expressing the hope that in the light of dispatches subsequent to the foregoing reference, a further discussion of the points above may be unnecessary.

The Committee concurring in the above report recommend that Your Excellency be moved to forward a copy of this minute if approved to the Right Honourable the Principal Secretary of State for the Colonies for the information of Her Majesty's Government.

The Committee further recommend that Your Excellency be also moved to forward a copy to His Excellency the Governor of Newfoundland.

All of which is respectfully submitted for Your Excellency's approval.

JOHN J. MCGEE,
Clerk of the Privy Council.

[Enclosure 1 in No. 171.]

Governor of Newfoundland to His Excellency the Governor General.

21st November, 1891.

Referring to your telegram of 11th November, restrictions of export of bait fishes, my Government regrets action of Canadian Government in opposition to