at this season of the year, and as some time must necessarily elapse before Mr. Bayard's proposal can be reviewed at length, it is as well that I should, without further loss of time, make you aware of some of the objections to which it is open, and which will, I have no doubt whatever, be made to it.

3. I would, before going further, observe that I have read with satisfaction Mr. Bayard's expression of his hope that advantage will be taken of the period of "comparative screnity" which is likely to prevail during the next few months, in order to arrive at an understanding which might put an end to any doubts which now exist with regard to the rights and privileges of United States' fishermen in Canadian waters.

4. I should, however, be slow to admit that the proceedings taken by the Canadian authorities during the past fishing season deserved to be characterized in the terms applied to them by Mr. Bayard. The Reports which I have from time to time had the honour of sending to you have shown that the acts of interference which Mr. Bayard describes as involving the unjust and unfriendly treatment of citizens of the United States were rendered necessary in consequence of the violation by them of the laws to

which all vessels resorting to Canadian waters are, without exception, amenable.

5. My Government does not yield to that of the United States in its desire to reduce within the narrowest limits the occasions for interference with the fishermen of the latter Power, and should it prove to be the case that there is no prospect of the establishment of closer and mutually advantageous relations between the two countries, cither in respect of the fish trade and fishing or of commercial intercourse generally, it will certainly be desirable that steps should be taken to determine beyond dispute the precise limits which divide the waters in which Canadian fishermen have the exclusive right of fishing from those in which that right is common to fishermen of all nations. A proposal for the appointment of a Mixed Commission to which this duty should, subject to the concurrence of the Governments of the Powers interested, be intrusted, was, as Mr. Bayard points out, made in the year 1866 by the American Government, and formed the subject of negotiations which were eventually superseded by those which led to the Treaty of 1871, and to the appointment of the Halifax Commission, which, however, did not deal with the question of the limits of the territorial waters of Canada. If Mr. Bayard had simply reverted to the Adams-Clarendon Memorandum of 1866, omitting the concluding paragraph, to which objection was taken at the time by Lord Clarendon, and which, as Mr. Bayard, at p. 2 of his letter, points out, is not contained in the Memorandum which he now submits, I should have regarded more hopefully than I do at this moment the prospect of an understanding being arrived at before another fishing season commences.

6. The 1st Article, however, of the draft proposal now submitted by Mr. Bayard, while in other respects following closely the Adams-Clarendon Memorandum, differs from that Memorandum, not only in the omission of the final paragraph of the latter, but also in that it adds (see Mr. Bayard's draft Article !, Subsection 1) the important stipulation, that the bays and harbours from which American fishermen are in the future to be excluded, save for the purposes for which entrance into the bays and harbours is permitted by said Article, are hereby agreed to be taken to be such bays and harbours

only as are 10, or less than 10, miles in width.

7. This reservation would involve the surrender of the exclusive right of fishing in bays which have hitherto been regarded as beyond all question within the territorial waters of Canada, such, for instance, as the right of fishing in the inner waters of the Bay des Chaleurs at points 40 or 50 miles from its mouth, which, roughly speaking, may be

said to be less than 20 miles wide at its opening.

8. I observe that Mr. Bayard in that part of his letter which refers to this suggestion, has cited Conventions entered into by France and Great Britain in 1839, and subsequently by other European Powers, in support of his contention that there should be no exclusive right of fishing in bays measuring more than 10 miles at their opening. It is, I think, obvious that local arrangements of this kind must be made with reference to the geographical peculiarities of the coasts which they affect, and to the local conditions under which the fishing industry is pursued in different parts of the world, and that it does not by any means follow that because the 10-mile limit is applicable upon portions of the coast of the Continent of Europe, it is therefore applicable under the peculiar circumstances, geographical and political, which are present in the case of the North American Continent. A reference to the action of the United States' Government, and to the admissions made by their statesmen in regard to bays on the American coasts, will, I think, strengthen this view of the case. The award in regard to the Bay of Fundy, upon which Mr. Bayard also relies in this part of his argument, was, I believe,

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