

The rights which were reserved to France on the western shore of Newfoundland when the portions of the island in French occupation were surrendered in 1713, and which have been confirmed and developed by subsequent international stipulations, were imperfectly defined; and the obscurity of the language used has long been felt to be a serious practical inconvenience. For the past sixty years constant efforts have been made to clear up the disputed points, and to substitute a series of precise rules for the vaguely-worded engagements which at present exist. The views of the Colonists on the one hand, and of the French Government on the other, however, have diverged so widely, that up to very recently negotiations were wholly unsuccessful. In 1885, an arrangement dealing equitably with all the points in dispute was negotiated by Commissioners appointed by Earl Granville, and a modification of it framed to suit the wishes expressed by the Colonial Government was sanctioned by Lord Salisbury shortly after the change of Government in that year. But though it was signed by the Commissioners of England and France, it took no practical effect. Before its signature it had received the approbation of the Government of the island; but a general election and a change of Ministry took place there, and after the signature the Colony, acting under a power reserved to it by Her Majesty's Government, refused its assent to the arrangement which the two Governments had made.

The language of the Colonial Government has been uniformly adverse to any attempt to revive the stipulations which were thus condemned; nor have they suggested any others of a similar kind for the acceptance of the Government of France. During the present year, two members of the Colonial Government who were in England suggested that an attempt to close the controversy should be made, by asking the Government of France to accept, in lieu of all their rights on the shore or in the waters of Newfoundland, some pecuniary satisfaction, and a perpetual engagement to permit the supply of bait to French fishermen for fishing in the open sea. This suggestion, however, was fettered by a stipulation, that the French Government should abandon the system of bounties by which they at present encourage the importation of fish by French fishermen into the French dominions, or should at least limit its application to fish actually consumed in French territory. These proposals, as Lord Knutsford is aware, have been unequivocally declined by the Government of France.

It may be concluded, therefore, that the resources of direct negotiation have been exhausted, and that no method of bringing the controversy to an end by any proposal on the part of Her Majesty's Government to the French Republic now remains. The only method of doing so which is now apparently open to us is to refer the disputed points of Treaty interpretation to an Arbitrator, and to obtain his decision as to the real significance of the stipulations by which this country is bound. In 1889, the conviction had forced itself upon Her Majesty's Government that recourse to this method of settlement was likely to become inevitable in respect to the lobster fishery, and unofficial discussions had taken place with the Representatives of the French Republic in this country, which appeared to make it probable that no great difficulty would be found in devising a reference to an Arbitrator which should be mutually satisfactory. The Colony, however, showed itself very averse to arbitration, and at the request of the Colonial Ministry the matter was put off until after the visit of Sir William Whiteway and Mr. Harvey to this country, in order to give them an opportunity of making proposals by which, in their belief, the difficulty could be arranged. Experience has shown that hope to be unfounded. We are in the presence of the same state of facts as those which confronted us in the winter of 1889. The differences between the conception formed of the meaning of the Treaties by the Colonists and that formed by the French authorities have become so sharp, and apply to practical interests so urgent, that unless they can be settled disorders and conflicts of a serious kind are almost certain to ensue. In view of this state of facts, Her Majesty's Government have asked the Colony to co-operate for the purpose of negotiation or of arbitration, and in the latter event to give legal validity to some intermediate arrangement which should keep the conflicting interests apart until a settlement has been made. In reply to this request, the Colonial Government have taken up an argumentative position which had been more than once obscurely indicated, but never so clearly explained until now. They do not seek for any interpretation of the Treaty stipulations which regulate the rights of the French upon the western shore, and they will not co-operate in any form of accommodation, be it by negotiations or be it by arbitration, which has not the cessation of those rights as an indispensable condition. They dispute the French view of the Treaties; but they object to have the dispute decided by the only peaceful method known to International Law, unless the French will accept a condition which we have no right to impose, and which the French Government have declared in the plainest