No. 17.

The Marquis of Salisbury to Mr. Hoppin.

Foreign Office, December 17, 1879.

I REFERRED to Her Majesty's Secretary of State for the Colonies Mr. Welsh's letter of the 13th August, together with its inclosure, relative to the case of the American schooner "Mist."

I now have the honour to transmit to you, for communication to your Government, the accompanying copy of a Report upon the case which has been received, through the Colonial Office, from the Governor of Newfoundland, by whose directions a judicial investigation was made into the matter.*

Copies of the depositions of the several witnesses, taken upon oath, are annexed to the Report; and I venture to express, on behalf of Her Majesty's Government, the hope that the United States' Government will share their opinion that there is no foundation for the claim attempted to be set up by the master of the "Mist."

I have, &c. (Signed) SALISBURY.

No. 18.

Mr. Hoppin to the Marquis of Salisbury.—(Received December 19.)

My Lord, I HAVE the honour to acknowledge the receipt of your Lordship's letter of yesterday, with its inclosures, relative to the case of the American schooner "Mist," and to say that I shall take the earliest opportunity to communicate the same to my Government.

I have, &c.

(Signed) W. J. HOPPIN.

No. 19.

Sir E. Thornton to Earl Granville.-(Received June 5.)

(Extract.)

Washington, May 24, 1880.

DURING a conversation which I had with Mr. Evarts at the State Department on the 20th instant I spoke to him about the Fortune Bay affair, and expressed some surprise at the step which the President and he had recommended to Congress, to the effect that the import duties upon fish and fish-oil, the produce of the British provinces, should be re-imposed as they existed before the Treaty of Washington. I stated that it appeared to me that this was an unfriendly step, and, if carried out by Congress, would render an agreement upon the question at issue much more difficult than it would otherwise have been. Previously to the transmission of the President's message, I should have had great hopes that an arrangement might have been arrived at; but, when it was attempted to put upon Her Majesty's Government a pressure to which, under similar circumstances, the United States' Government would have certainly objected, it did not seem as if the latter was desirous of finding a solution of the question.

I also pointed out to him that the Colonies of Newfoundland and Prince Edward Island had allowed American fishermen the privilege of fishing in their waters very shortly after the conclusion of the Treaty of Washington, although the Act of Congress relieving fish and fish-oil, the produce of Prince Edward Island, from import duties in the United States, was not passed till the 1st March, 1873, and Newfoundland was not admitted to the same immunity till May 1874, and although United States' citizens had enjoyed the right of fishing in the waters of Prince Edward Island and Newfoundland, their Government had never consented to reimburse the duties which had been paid on the fish and fish-oil imported from those Colonies into the United States during that time.

Mr. Evarts denied emphatically that he had wished to recommend a measure which could be thought to be unfriendly towards Her Majesty's Government; nor did he consider that it was so, or that it could be viewed in that light. He said that he

Sir,