

Inclosure in No. 116.

Commander-in-chief on the North American Station to Admiralty.

(Extract.)

August 3, 1887.

REAR-ADMIRAL LUCE, commanding the United States' North Atlantic Squadron, arrived at Halifax in his flag-ship "Richmond" on the 24th ultimo. He was preceded by the corvettes "Golena" and "Yantic," and followed on the 28th by the "Ossipee."

These vessels from the squadron dispatched by the Government of the United States for the protection of American citizens fishing in Canadian waters, I am assured by the Rear-Admiral that the Instructions issued to the Commanders of the cruisers are of a nature studied to meet the wishes of the Imperial and Canadian Governments. And this is confirmed by Commander Gordon, commanding the Dominion steam-cruizer "Acadia," returned last week from the Gulf of St. Lawrence, who informs me that the American officers are acting in the most conciliatory manner in cautioning their countrymen against improper fishing or violation of the Customs Regulations.

No. 117.

Colonial Office to Foreign Office.—(Received August 24.)

Sir,

Downing Street, August 22, 1887.

WITH reference to your letter of the 22nd July, I am directed by Secretary Sir H. Holland to transmit to you, for the information of the Marquis of Salisbury, copies of two despatches from the Officer administering the Government of Newfoundland, respecting the proposed separate arrangement between that Colony and the United States on the Fisheries question.

Sir H. Holland proposes, with Lord Salisbury's concurrence, to reply to these despatches that Her Majesty's Government will not fail to consider whether, without prejudice to other British interests, effect can be given to the wishes of Newfoundland to make a separate arrangement with the United States on this matter, but that it is a question requiring careful consideration.

I am, &c.
(Signed) ROBERT G. W. HERBERT.

Inclosure 1 in No. 117.

Administrator Carter to Sir H. Holland.

(Confidential.)

Sir,

Government House, Newfoundland, August 1, 1887.

I HAVE the honour to acquaint you that immediately on receipt of your cypher message of the 26th July last, respecting the letter of the Minister of the United States to Sir A. Shea upon the subject of a separate fishery arrangement with the United States, I informed Mr. Winter, Attorney-General, Acting Premier in the absence of Sir Robert Thorburn, as directed, for the guidance of the Executive. Since then I have been informed, both by the Attorney-General and Sir Robert Thorburn, recently returned to the Colony, that no step will be taken in that direction without first apprising Her Majesty's Government, and that such course had been previously determined upon.

I beg to forward a copy of Sir A. Shea's letter to the Colonial Secretary, covering that of Mr. Phelps, of which I had not heard until after the receipt of your message.

I have, &c.
(Signed) F. B. T. CARTER.