

expressing the desire of the Canadian government to enter into reciprocal arrangements with that of the United States with regard to the coasting trade, or in towing or wrecking only.

You will observe that at paragraph 2 of this minute it is stated that by the provisions of the Canadian statutes now existing relating to wrecking and towing, vessels of the United States are perfectly free at all times in case of distress to save both life and property in Canadian waters.

It is pointed out therefore, that the question is not one of humanity, as appears to have been considered by the United States government, but purely one of business, and further, the minute deals with the commercial aspect of the subject, and sets out certain offers on the part of Canada to the United States in reference to reciprocity in coasting and towing and wrecking privileges. It concludes by stating that the Canadian government, in order to show their earnest desire for friendly relations with the United States, are willing to limit the above offers "to the inland navigation in waters continuous to those of the United States, or to extend them generally to the waters of both countries as the United States may prefer."

I trust that the explanation furnished in this minute will remove any misapprehension which may have arisen in the consideration of the questions referred to and will facilitate the conclusion of arrangements mutually satisfactory and advantageous to the United States and the Dominion of Canada.

I have, etc.,

JULIAN PAUNCEFOTE.

No. 7.

The Right Honourable J. Chamberlain to the Earl of Aberdeen.

DOWNING STREET, 17th December, 1895.

Governor General

The Right Honourable

The Earl of Aberdeen, P.C., G.C.M.G.,
etc., etc., etc.

MY LORD,—With reference to my despatch, No. 248, of the 25th September, I have the honour to transmit to you for the information of your ministers, a copy of a despatch from Her Majesty's ambassador at Washington, respecting the tonnage dues levied in the United States on British vessels, in retaliation for the light dues levied in this country.

I have the honour to be, my lord,

Your lordship's most obedient, humble servant,

J. CHAMBERLAIN.

BRITISH EMBASSY, WASHINGTON, 19th November, 1895.

The Marquis of Salisbury, K.G.,
etc., etc., etc.

MY LORD,—I have the honour to transmit herewith copy of the reply which I have received from the secretary of state to the representation addressed to him in obedience to the instructions contained in your lordship's despatch, No. 27, commercial, of 6th July last, respecting the imposition of tonnage duties in the United States on vessels touching at a British port solely for coaling.

Mr. Olney states that under a treasury decision, dated 26th November, 1890, the treasury department has ordered that British and other vessels be admitted in the United States without the payment of tonnage dues, if from a free port, notwithstanding they may have touched in Great Britain for bunker coal, if they did not enter or clear there.