

CANADA.

CORRESPONDENCE

BETWEEN

The Colonial Office and the Foreign Office.

No. 1.

No. 1.

The Foreign Office to the Colonial Office.

(Confidential.)

SIR,

Foreign Office, 1st November, 1870.

* *Vide Previous Paper,*
dated January
1870, page 201.
No. 413.

With reference to Mr. Otway's letter of the 29th of September,* I am directed by Earl Granville to transmit to you, to be laid before the Earl of Kimberley, copies of a Despatch, and of its enclosures from Her Majesty's Minister at Washington, respecting the Canadian Fisheries question.

The Under-Secretary of State,
Colonial Office.

I am, &c.,
(Signed) E. HAMMOND.

Enclosure in
No. 1.

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(No. 413.)

MY LORD,

Washington, 17th October, 1870.

No. 70,
11th October.

With reference to my confidential Despatch, No. 374, of the 12th ult., I have the honour to enclose copy of a Despatch which I have received from the Governor-General of Canada, in reply to mine of the 12th ult., in which His Excellency encloses copy of a Minute received from the Privy Council of Canada, on the subject of the interpretation of the Treaty of 1818, relative to the right of American fishing vessels to enter the commercial ports of that country, in which it is stated that the arguments made use of by Mr. Fish will be carefully considered, but that the Canadian Government deem it desirable to consult with Her Majesty's Government upon the question at issue.

I have confidentially communicated the substance of the Minute to Mr. Fish, who, however, I regret to find does not seem disposed to admit of any delay or even discussion upon the subject, but states in pretty plain terms that American citizens have already during the fishing season now ending suffered such serious losses from the proceedings of the Canadian Authorities, that the United States will be under the necessity of retaliating upon Canada by withdrawing the privilege now enjoyed of transporting goods in bond from Portland through the United States to the Canadian frontier.

Whether Mr. Fish really means what he says, or is merely parading a menace for the purpose of influencing the decision of the Canadian Government with regard to the question at issue, it is difficult to discover. There is no doubt, however, that the American fishermen are returning from their labours, having had but scanty success and in very bad humour. They have long been accustomed, by means of the Reciprocity Treaty, and subsequently by the system of licences, to the enjoyment of the valuable in-shore fisheries, and to the unlimited use of the Canadian ports. Even the taking out of licences was not very rigorously enforced, and many vessels enjoyed equal privileges with the Canadians themselves without even the formality of a licence, besides the advantage of sending the result of their labours to the United States markets duty free. They have now been excluded the three-mile limit as far as the Treaty of 1818 justifies their exclusion, and are prevented by the interpretation of that Treaty, with regard to their entry into the commercial ports of Canada for the purpose of transshipping fish, &c., from securing from the deep-sea fisheries that profit which they could otherwise count upon with certainty, both from the quantity of fish and its immunity from the payment of duty.

They complain, too, that notwithstanding the instructions given to cruisers to make