

value of the rights to have been acquired in return, and that they could not consent to an arrangement on the basis now proposed by the British Commissioners; and they renewed their proposal to pay a money equivalent for the use of the inshore fisheries. They further proposed that if in case the two Governments should not be able to agree upon the sum to be paid as such an equivalent the matter should be referred to an impartial commission for determination

"The British Commissioners replied that the proposal was one on which they had no instructions, and that it would not be possible for them to come to any arrangement except one for a term of years and involving the concession of free fish and fish oil by the American Commissioners, but that if free fish and fish oil were conceded, they would inquire of their Government whether they were prepared to assent to a reference to arbitration as to money payment

"The American Commissioners replied that they were willing, subject to the action of Congress, to concede free fish and fish oil as an equivalent for the use of the inshore fisheries and to make the arrangements for a term of years; that they were of opinion that free fish and fish oil would be more than equivalent for those fisheries, but that they were also willing to agree to a reference to determine that question and the amount of any more payment that might be found necessary to complete an equivalent, it being understood that legislation would be needed before any payment could be made.

The subject was further discussed in the conferences of April 18 and 19, and the British Commissioners having referred the last proposal to their Government and received instructions to accept it, the Treaty articles, XVIII to XXV were agreed to at the conference on the 22nd April.

ARTICLES XXVII TO XXXII.

At the conference on the 26th March the British Commissioners proposed that the Reciprocity Treaty of 1854 should be restored in principle, and that if any considerable modifications in the tariff arrangements in force under it were made, the coasting trade of the United States and of Her Britannic Majesty's possessions in North America should be reciprocally thrown open, and that the navigation of the River St. Lawrence and of the Canadian canals should be thrown open to the citizens of the United States on terms of equality with British subjects.

The American Commissioners declined this proposal, and in the subsequent negotiations the question of the fisheries was treated by itself.

(The continuation of the protocols may be found in the Executive Doc. British case and papers, 2nd Sess., 42nd Cong., Vol. XIV, part 3.)

The correspondence will be found in Imperial Commons Accounts and Papers, Vol. 43, year 1872, and in Imperial Commons Accounts and Papers, Vol. XLIX, year 1873.

The Treaty was signed 8th May, 1871, and came into force, so far as Canada was concerned, on 1st July, 1873.*

* While the United States admitted fish and fish oil free from 1st July, the Canadian Government marked their good will and desire for friendly intercourse by throwing open the inshore fisheries three months earlier.