No. 298.

Mr. Herbert to Lord Tenterden.—(Received July 1.)

My Lord,

Downing Street, June 30, 1881.

I AM directed by the Earl of Kimberley to acknowledge the receipt of your letter of the 23rd ultimo, in which you inclosed a copy of a despatch from Sir E. Thornton respecting the settlement of the claims of the United States' Government arising out of the occurrences at Fortune Bay and elsewhere, with a note from Mr. Blaine, in which he intimates that he is prepared to enter upon the discussion of the question of the employment of joint American and British cruizers in Newfoundland waters and the Code of Instructions under which they should act.

2. I am also to acknowledge the receipt of your further letter of the 25th May, in the concluding paragraph of which it was stated that, as the Governor of Newfoundland and Sir William Whiteway were then in England, Lord Granville presumed that Lord Kimberley would soon be in a position to give his opinion as to the instructions to be given to Sir E. Thornton with regard to the future regulation of the fisheries.

3. Lord Kimberley has consulted Sir William Whiteway, the Premier of the Colonial Government, on this matter, and I am to inclose, for Lord Granville's information, a copy of a letter which has been received from him upon the subject.

4. With a view to determining what regulations it would be expedient to enforce for the protection of the figheries, Lord Kimberley would suggest that in the first place it would be desirable that all the existing laws of Newfoundland bearing upon the use of the fisheries to which United States' fishermen are admitted by 'Treaty should be communicated to the United States' Government, and that the United States' Government should then be asked whether they object to any of these laws, or have any suggestions to make, and that when an agreement has been arrived at as to the Code which should govern the fisheries, the Legislature of Newfoundland should be invited to make the necessary changes in the law if any such should be decided upon.

5. As to the question of joint cruizers, Lord Kimberley would suggest, for Lord Granville's consideration, that it may be advisable to inquire of the United States' Government whether they will consider it necessary to send cruizers if satisfactory regulations are framed. It might be pointed out to them that their cruizers could not act within British waters, and that, at all events, it may be best, in the first place, that an agreement should be come to upon the subject of the regulations, and that the two Governments should judge by the experience of their working whether they operate well and harmoniously before entering on the question of joint cruizers.

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

Inclosure in No. 298.

Sir W. Whiteway to Mr. Herbert.

Sir,

British Hotel, June 13, 1881.

IN accordance with your request that I should submit my views in relation to the employment of British and United States' ships of war to cruize upon the coast of Newfoundland, for the purpose of protecting the rights of the fishermen of both nations whilst engaged in the fishery, I. have the honour to submit that I do not consider such cruizers necessary in order that the fishermen should enjoy to the fullest extent the rights which they respectively possess; that, being in British territory, all laws and regulations relating to the fisheries should be carried out by British authorities, and that, such being the case, the existing Tribunals are sufficient.

2. With respect to those laws which it may be deemed advisable to enforce, I may observe generally that the few statutes now existing upon the subject of the fisheries were enacted and thought necessary by the Legislature for their preservation, and especially on those considered requisite which have reference to bait fishes.

I do not apprehend that more serious differences are likely to arise between British and United States' fishermen than are constantly occurring among British [919] * 3 O