

the subject, and recommend them to pass such laws as they may find to be necessary to carry into effect at once the agreement made in the XXVIIth Article of the Treaty.

I have, &c.
(Signed) JOHN W. HOFFMAN.

No. 4.

Lord Tenterden to Mr. Herbert.

Sir, *Foreign Office, May 13, 1874.*
I AM directed by the Earl of Derby to transmit to you, to be laid before the Earl of Carnarvon, copy of a despatch on the subject of the navigation of the United States canals by British subjects.*

I am, &c.
(Signed) TENTERDEN.

No. 5.

Sir E. Thornton to the Earl of Derby.—(Received December 6.)

My Lord, *Washington, November 23, 1874.*
I HAVE the honour to inclose copies of a despatch and of its inclosure which I have received from the Governor-General of Canada relative to the engagement taken by the United States' Government in the XXVIIth Article of the Treaty of May 8, 1871, to urge the State Governments to throw open the canals therein referred to to British subjects on terms of equality with American citizens.

The Report of the Committee of the Privy Council, transmitted by his Excellency, states that Canadian vessels are still entirely excluded from the use of any and all of the canals within United States' territory, except the Sault Sainte Marie Canal, and recommends that Her Majesty's Minister at Washington be communicated with, with the view of ascertaining whether the Government of the United States will endeavour to procure for those vessels the use of their canals, according to the above-mentioned Article of the Treaty of Washington.

I have hardly thought that I should be justified in charging the United States' Government with having failed to carry out the stipulation contained in that Article, because I know that a communication on the subject was addressed by the President soon after the signature of the Treaty to the Governor of the State of New York, within which the principal canals referred to are situated. I had the honour to inclose a copy of the Governor's answer in my despatch to your Lordship of the 28th of April last.

But I have this day addressed a note to Mr. Fish, copy of which is inclosed, pointing out that United States' vessels are allowed to navigate the Canadian canals, whilst Canadian vessels are entirely excluded from those in the territory of the United States, and suggesting that a further representation upon the subject should be made to the Governor of the State of New York.

I also inclose copy of my answer to Lord Dufferin's despatch.

I have, &c.
(Signed) EDWD. THORNTON.

Inclosure 1 in No. 5.

The Earl of Dufferin to Sir E. Thornton.

Sir, *Government House, Ottawa, November 18, 1874.*
I HAVE the honour of inclosing, for your consideration, a copy of an approved Order of the Privy Council of the Dominion, in which my Government submit that the engagement entered into by Her Majesty's Government and that of the United States, for the mutual use of the canal system of both countries under the Treaty of Washington, have not been carried into effect by the Government of the United States,