

inhabitants of the United States of America engaged in taking fish of every or any kind except shell-fish, on the sea-coasts and shores, and in the bays, harbours, and creeks of the Provinces of Quebec, Nova Scotia, and New Brunswick, as shall also all Acts, laws, or regulations (if any) over which the Parliament of Canada has control, which would in any wise prevent or impede the full effect of the said Article 18.

Fish and fish oil from United States fisheries to be free.

2. Fish oil and fish of all kinds (except fish of the inland lakes and of the rivers falling into them, and except fish preserved in oil) being the produce of the fisheries of the United States, shall be admitted into Canada free of duty.

Transit of goods through Canada in bond.

3. Goods, wares, and merchandize arriving at any of the ports of Canada, and destined for the United States of America, may be entered at the proper Custom-house, and conveyed in transit, without the payment of duties, through Canada, under such rules, regulations, and conditions for the protection of the revenue, as the Governor in Council may from time to time prescribe; and under like rules, regulations, and conditions, goods, wares, and merchandize, may be conveyed in transit without payment of duties, from the United States through Canada, to other places in the United States or for export from ports in Canada.

Carriage of goods in United States' vessels from one part of Canada to another, conditionally.

4. Citizens of the United States may carry in United States' vessels, without payment of duty, goods, wares, and merchandize from one port or place in Canada to another port or place in Canada, provided that a portion of such transportation is made through the territory of the United States by land carriage, and in bond, under such rules and regulations as may be agreed upon between the Government of Her Majesty and the Government of the United States.

Act, when to come into force.

5. The foregoing sections of this Act shall come into force upon, from, and after a day to be appointed for that purpose by a proclamation based upon an order of the Governor in Council, and shall remain in force during the term of years mentioned in Article thirty-three of the said Treaty.

No. 2.

Lord Lisgar to the Earl of Kimberley.—(Received June 6.)

My Lord,

Government House, Ottawa, May 20, 1872.

I HAVE the honour to inform your Lordship that the second reading of the Bill "To carry into effect the Provisions of the Treaty between the United States and Great Britain, signed in the City of Washington on the 8th May, 1871," was carried in the Dominion House of Commons, on the 16th instant, after a division, by a majority of 66, the numbers being 121 yeas to 55 nays.

2. The debate was long and earnest, extending over several consecutive nights. The line generally taken by the supporters of the Bill was, that though the Treaty did not realise their expectations, and entailed a considerable sacrifice of Canadian interests, still it was wise to accept it as a means of establishing friendly relations with the United States, and especially because Imperial interests of great magnitude were involved, and because it would be ungracious and undutiful in a matter of such importance to oppose the wishes of the mother country.

The Opposition, on the other hand, contended that better terms might and ought to have been obtained; that though willing to make any reasonable sacrifice in the interests of the Empire, they anticipated no evil result from a firm maintenance of the undoubted rights of Canada, and they took special objection to the course which the Dominion Government had taken with regard to the Imperial guarantee of the loan in compensation for the abandonment of the claims in respect of the Fenian Raids.

3. Mr. Blake, one of the leaders of the Opposition, and Premier of the Local Government in the Province of Ontario, moved the following amendment:—"To leave out all the words after 'that,' and insert the following:—Before proceeding further upon the said Bill, this House feels bound to declare, that while Her Majesty's loyal subjects the people of Canada will at all times cheerfully make any reasonable sacrifice in the interests of the Empire, we have just ground for the great dissatisfaction prevailing throughout the country at the mode in which our rights