

It is not impossible that the sudden and great financial crisis which came alike upon both continents towards the close of the year 1873, may have been not without effect in diverting attention for a time from this question.

The conversation between Lord Granville and General Schenck, to which you refer as of the 18th of February, 1874, occurred, I believe, the day after it became evident that the change of Ministry in Great Britain, which took place three days thereafter, was to happen. His Lordship's object seems to have been, before retiring from office, to express what had been the opinion of Her Majesty's Government, "although," as he says, "now it was of no practical bearing."

General Schenck evidently considered it in this light, because, although on his return to the United States in March he informed me that such a conversation had occurred, in which he had suggested that it was his opinion the rules should be submitted pure and simple, the details of the conversation have never been communicated to this Government.

You say that in March, 1875, further inquiry was made by me on the question, and that Lord Derby stated in a despatch addressed to you on April 10, that Her Majesty's Government had not felt it necessary to raise any question in the matter which had not been adverted to by the Government of the United States since the conversation which Lord Granville had with General Schenck on the 18th of February, 1874, and that Her Majesty's Government awaited a formal communication from the United States; and at this date you close your review of the negotiation, and draw your conclusion that it will be seen from the above recapitulation that the delay in dealing with the matter cannot be laid to Her Majesty's Government.

I am not aware that the Government of the United States has been informed in any manner, prior to the reception of your note, of the instruction addressed to you upon the 10th of April, 1875, or of the views of Lord Derby as therein expressed, nor is it perceived why a recapitulation of the discussion of the question relating to the rules, especially where the question of delay was the subject of comment, should conclude with the date which you have taken. Various negotiations have taken place since the 10th of April, 1875, in none of which has any reference been made, so far as I am able to recall, to this instruction of Lord Derby, and to all of which reference should be made if any conclusions are to be drawn from the entire negotiation as a whole.

On the 24th of June, 1875, I inquired from you whether your Government was prepared to do anything in relation to the joint note to the Maritime Powers, whereupon considerable conversation occurred as to the whole subject, being a recapitulation of many of the matters which had been previously discussed. You stated, however, that you thought it possible that Her Majesty's Government was unwilling to make an application to other Governments which might be refused, and I ventured to say that if your Government were reluctant to carry out that part of the Treaty, this Government would frankly consider the question, upon which you said that you would examine the papers.

The summer having passed away, and not having been favoured with your views, on October 28, 1875, I again ventured to inquire from you whether your Government was prepared to act upon the subject, and you replied that you hoped we would not press the subject, and proceeded to give certain reasons why your Government was not desirous to go on with this portion of the Treaty.

It was suggested, however, in reply, that this should not be delayed while other questions under the Treaty were pressed, and that we desired in like manner to dispose of all the questions. You again suggested that you hoped we would afford time, and that no harm could come from postponement. I therefore repeated to you what had been said before, that if your Government desired not to proceed with the submission of the three Rules, it was desirable that it should so declare; otherwise, that the submission should be proceeded with, and adverted to the fact that we had consumed four years upon the question.

Again, on the 20th of January, 1876, in connection with the conversation concerning the Fisheries Commission, I asked if your Government would be prepared, in disposing of that matter, to sign a note to the Maritime Powers submitting the Three Rules, whereupon you again expressed the reluctance of your Government to proceed, and suggested whether the Three Rules might not continue in force between the two Governments and no submission be made, from which I dissented, and repeated what I had previously said, that this Government was of opinion that the subject should be disposed of.

Upon the 17th of February, 1876, I presented the same question—whether your Government was willing to proceed with the Three Rules, and you repeated to me the