

fishing season of 1871 should be considered by the two Governments in good time before the season commences. Their nature must, of course, much depend on the establishment and progress of the proposed Commission, but I shall gladly receive from your Government, at the proper time, any statement on this subject, and shall give it my best attention.

2. The Bill authorizing the guarantee of the Fortification Loan, on which Mr. Campbell expressed some anxiety, is already before Parliament.

3. Mr. Campbell pressed strongly upon me that a representation should be made to the United States' Government, with reference to the late Fenian incursion into Canada, which has awakened such just feelings of indignation in the Dominion, and he urged the claims of Canada for reparation for the losses which she has sustained by that incursion. Her Majesty's Government have carefully considered what steps it would be advisable to take in this matter, and I have to acquaint you that they are of opinion that, in the first instance, your Ministers should draw up a full and authentic statement of the facts, and of the claims which they found upon them. This statement should be transmitted by you to Her Majesty's Government, in order that it may be laid by them before the Government of the United States, and I need scarcely say that whilst it should contain everything which is material to the case, it should be a document of such a character as may properly be communicated to the Government of a State with which Her Majesty is on terms of amity.

4. Mr. Campbell, whilst stating the entire willingness of the Canadian Government to take measures for the defence of the Dominion, expressed a hope that an Imperial garrison would be maintained at Quebec. You are so well acquainted with the general policy of Her Majesty's Government as to the distribution of Imperial troops, that I need not enter into any further explanation of that policy; and as regards the particular question of the garrison of Quebec, you are already aware that it has been decided that a battalion of infantry and a battery of artillery shall remain there during the coming winter. I cannot conclude without acknowledging the able and temperate manner in which Mr. Campbell brought under my consideration the various questions which have been discussed between us. The opportunity which I have had of explaining to him the views of Her Majesty's Government has made it unnecessary for me to do more than briefly indicate in this Despatch the course which it is proposed to take.

Sir John Young, Bart., G.C.B.,
 &c. &c. &c.

I have, &c.,
 (Signed) KIMBERLEY.

No. 4.

No. 4.

The EARL OF KIMBERLEY to The LORD LISGAR.

(Confidential.)

MY LORD,

Downing Street, February 16, 1871.

You have already been informed by telegram of the views of Her Majesty's Government upon the Fishery Questions, but I think it will be convenient, with reference to the pending negotiations, that a somewhat fuller statement of those views should now be placed on record.

It would not be possible for Her Majesty's Government to pledge themselves to any foregone conclusion upon any particular point connected with these negotiations, but they have anxiously considered the questions which concern Canada, and they feel confident that the Canadian Government will agree with them that a satisfactory termination of the difficulties which have arisen with the United States can only be attained by taking as broad and liberal a view as is consistent with the just rights and real interests of the Dominion.

As at present advised, Her Majesty's Government are of opinion that the right of Canada to exclude Americans from fishing in the waters within the limits of three marine miles of the coast is beyond dispute, and can only be ceded for an adequate consideration.

Should this consideration take the form of a money payment, it appears to Her Majesty's Government that such an arrangement would be more likely to work well than if any conditions were annexed to the exercise of the privilege of fishing within the Canadian waters.

The presence of a considerable number of cruisers would always be necessary to secure the performance of such conditions, and the enforcement of penalties for the non-observance of them would be certain to lead to disputes with the United States.