

Before taking any further steps in the negotiations with the Company, I am desirous of being informed whether your advisers are prepared to assist in these negotiations, with a view of accepting the Government of any portion of the territory and undertaking the duties contemplated by the Committee, in case sufficiently favorable terms can be obtained. If they are prepared to do so, it will be desirable that they should send over to this country some person duly authorized to communicate with me upon the subject, in order that the negotiations may be proceeded with during the Recess, and the necessary measures prepared for obtaining the sanction of the Imperial Parliament and of the Legislature of Canada. If they are not prepared to assist in the negotiations, I shall be glad to hear from you their views upon the subject of the North-Western Boundary of Canada.

I have, &c.,

(Signed) EDWARD CARDWELL.

COPY OF A REPORT of a Committee of the Honorable the Executive Council, approved by His Excellency the Governor-General in Council, on the 11th of November, 1864.

The Committee of Council have had under their consideration the Despatch of the Right Hon. Edward Cardwell, Her Majesty's Secretary of State for the Colonies, of 1st July, 1864, in reply to your Excellency's Despatch of 19th February, 1864, transmitting Minute of Council on the subject of the pending negotiations between her Majesty's Government and the Hudson's Bay Company for the cession to the Crown of the rights of that Company in the North-Western Territories.

In the Minute of Council transmitted by your Excellency, the Government of Canada recommended that "Correspondence be opened with the Imperial Government with a view to the adoption of some speedy, inexpensive, and mutually satisfactory plan" to "settle definitely the North-Western boundary of Canada," and that "the claim of Canada be asserted to all that portion of Central British America which can be shewn to have been in the possession of the French at the period of the cession in 1763."

Mr. Cardwell, in acknowledging this minute, remarks, that "if the proposed cession shall take place, it will be necessary to make provision for the future government of the Red River Settlement, and prospectively of such parts of the territory as may from time to time become the seats of settled occupation and industry." He quotes from the Report of the Select Committee of the House of Commons of 1857, in which it is said: "Your Committee consider that it is essential to meet the just and reasonable wishes of Canada to be enabled to annex to her territory such portion of the land in her neighbourhood as may be available to her for the purpose of settlement, with which lands she is willing to open and maintain"