

At the Conference on the 22nd of April the British Commissioners proposed that the navigation of Lake Michigan should be given in exchange for the navigation of the River St. Lawrence; and that Her Majesty's Government should agree to urge upon the Dominion of Canada to give to the citizens of the United States the use of the Canadian Canals on terms of equality with British subjects; and that the Government of the United States should agree to urge upon the several States to give to British subjects the use of the several State Canals on terms of equality with citizens of the United States. They also proposed, as part of the arrangement, a reciprocal agreement as to transit and transshipment, and that the Government of Great Britain should urge upon New Brunswick not to impose export duties on the lumber floated down the River St. John for shipment to the United States.

The American Commissioners repeated their views as to the navigation of the River St. Lawrence in its natural state.

The British Commissioners replied that they could not admit the claims of American citizens to navigate the River St. Lawrence as of right; but that the British Government had no desire to exclude them from it. They however pointed out that there were certain rivers running through Alaska which should on like grounds be declared free and open to British subjects, in case the River St. Lawrence should be declared free.

The American Commissioners replied that they were prepared to consider that question. They also assented to the arrangement as to the Canals which was proposed by the British Commissioners, limiting it, as regarded American Canals, to the Canals connected with the navigation of the lakes or rivers traversed by or contiguous to the boundary line between the British and American possessions. They likewise agreed to give the right of navigating Lake Michigan for a term of years. They desired, and it was agreed, that the transshipment arrangement should be made dependent upon the non-existence of discriminating tolls or regulations on the Canadian Canals, and also upon the abolition of the New Brunswick export duty on American lumber intended for the United States. It was also agreed that the right of carrying should be made dependent upon the non-imposition of export duties on either side on the goods of the other party passing in transit.

The discussion of these subjects was further continued at the Conferences of the 24th, 25th, and 26th of April, and the Treaty Articles XXVI to XXXIII were agreed to at the Conference on the 3rd of May.

In the course of these discussions the British Commissioners called attention to the question of the survey of the boundary line along the forty-ninth parallel, which still remained unexecuted from the Lake of the Woods to the Rocky Mountains, and to which reference had been made in the President's Message.

The American Commissioners stated that the survey was a matter for administrative action, and did not require to be dealt with by a Treaty provision. The United States' Government would be prepared to agree with the British Government for the appointment of a Boundary Survey Commission, in the same manner as had been done in regard to the remainder of the boundary along the forty-ninth parallel, as soon as the legislative appropriations and other necessary arrangements could be made.

ARTICLES XXXIV TO XLII.

At the Conference on the 15th of March the British Commissioners stated that it was proposed that day to take up the North-West Water Boundary question; that the difference was one of long standing, which had more than once been the subject of negotiations between the two Governments, and that the negotiators had, in January 1869, agreed upon a Treaty. They then proposed that an arbitration of this question should be made upon the basis of the provisions of that Treaty.

The American Commissioners replied that, though no formal vote was actually taken upon it, it was well understood that that Treaty had not been favourably regarded by the Senate. They declined the proposal of the British Commissioners, and expressed their wish that an effort should be made to settle the question in the Joint High Commission.

The British Commissioners assented to this, and presented the reasons which induced them to regard the Rosario Straits as the channel contemplated by the Treaty of June 15, 1846.

The American Commissioners replied, and presented the reasons which induced them to regard the Haro Channel as the channel contemplated by that Treaty. They also produced in support of their views some original correspondence of Mr. Everett with his Government, which had not been alluded to in previous discussions of the question.

The British Commissioners replied that they saw in that correspondence no reason to