

Government, on the part of Canada, and the Duke of Somerset, the Earl De Grey, Mr. Gladstone, and myself, on the part of Her Majesty's Government.

On the first subject referred to in the Minute, that of the Confederation of the British North American Provinces, we repeated on the part of the Cabinet the assurances which had already been given of the determination of Her Majesty's Government to use every proper means of influence to carry into effect without delay the proposed Confederation.

On the second point, we entered into a full consideration of the important subject of the defence of Canada, not with any apprehension on either side that the friendly relations now happily subsisting between this country and the United States are likely to be disturbed, but impressed with the conviction that the safety of the Empire from possible attack ought to depend upon its own strength and the due application of its own resources. We reminded the Canadian Ministers that on the part of the Imperial Government we had obtained a vote of money for improving the fortifications of Quebec. We assured them that so soon as that vote had been obtained the necessary instructions had been sent out for the immediate execution of the works, which would be prosecuted with despatch; and we reminded them of the suggestion Her Majesty's Government had made to them to proceed with the fortifications of Montreal.

The Canadian Ministers, in reply, expressed unreservedly the desire of Canada to devote her whole resources, both in men and money, for the maintenance of her connection with the Mother Country; and their full belief in the readiness of the Canadian Parliament to make known that determination in the most authentic manner. They said they had increased the expenditure for their Militia from 300,000 to 1,000,000 dollars, and would agree to train that force to the satisfaction of the Secretary of State for War, provided the cost did not exceed the last-mentioned sum annually, while the question of confederation is pending. They said they were unwilling to separate the question of the works at Montreal from the question of the works west of that place, and from the question of a naval armament on Lake Ontario. That the execution of the whole of these works would render it necessary for them to have recourse to a loan, which could only be raised with the guarantee of the Imperial Parliament. They were ready to propose to their Legislature on their return a measure for this purpose, provided that the guarantee of the Imperial Parliament were given now, and that they were authorized to communicate to the Parliament of Canada the assurance that, the occasion arising, England will have prepared an adequate naval force for Lake Ontario. They thought that if the guarantee were not obtained now it was probable that the Canadian Government and Parliament would think it desirable that the question of defensive works should await the decision of the Government and Legislature of the United Provinces.

On the part of Her Majesty's Government we assented to the reasonableness of the proposal that if the Province undertook the primary liability for the works of defence mentioned in the letter of Lieutenant Colonel Jervis, and showed a sufficient security, Her Majesty's Government should apply to Parliament for a guarantee for the amount required; and we said that Her Majesty's Government would furnish the armaments for the works. But we said that the desire and decision of the Provincial Legislature ought to be pronounced before any application was made to the Imperial Parliament. On the subject of a Naval Force for Lake Ontario, we said that, apart from any question of expediency, the convention subsisting between this country and the United States rendered it impossible for either nation to place more than the specified number of armed vessels on the lakes in time of peace. In case of war it would, as a matter of course, be the duty of any Government in this country to apply its means of naval defence according to the judgment it might form upon the exigencies of each particular time, and the Canadian Ministers might be assured that Her Majesty's Government would not permit itself to be found in such a position as to be unable to discharge its duty in this respect. This was the only assurance the Canadian Ministers could expect, or we could give.

Upon a review of the whole matter, the Canadian Ministers reverted to the proposal which has been mentioned above, that priority in point of time should be given to the Confederation of the Provinces. To this, we, on the part of Her Majesty's Government, assented. In conformity, however, with a wish strongly expressed by the Canadian Ministers, we further said, that if, upon future consideration, the Canadian Government should desire to anticipate the Confederation, and to propose that Canada should execute the works, they would doubtless communicate to Her Majesty's Government that decision; and we trusted that after what had passed in these conferences they would feel assured that any such communication would be received by us in the most friendly spirit.