

estuaries and in the mouths of rivers, of which the salmon fishery is the most important, must be reserved exclusively for British fishermen, such fisheries being more or less of the nature of local or private property.

To the concession above-mentioned Her Majesty's Government would be prepared, if necessary, to add the admission of United States' vessels and citizens to a full and free participation in the navigation of the river St. Lawrence, and of certain canals to be specified, which are connected with that navigation, with the reservation, however, that the British Government must retain the right of suspending this privilege; on giving due notice thereof to the Government of the United States, whenever political considerations, of which the British Government must be the sole judge, in its opinion render such a measure necessary.

Her Majesty's Government might also possibly, if it should be necessary, be willing to enter into an agreement with the Government of the United States for giving up that right to navigate the River Columbia, which was reserved to British subjects by the 11th Article of the Treaty of June 15, 1846, about the Oregon Territory.

But as such a concession would involve considerations connected with the interests of the Hudson's Bay Company, Her Majesty's Government could not enter into any agreement with the United States on this matter without previous consultation with that Company; and I mention this matter now, not in order that you should make any suggestion about it to the United States' Government, but in order that if they should make any proposal thereupon to you, you may feel yourself at liberty to refer it for the consideration of Her Majesty's Government.

Such, then, are the commercial advantages which Her Majesty's Government are desirous of obtaining from the United States, and such another concession which they are willing, if necessary, to make in order to obtain those advantages.

You will, of course, understand that, in stating to you at once the full extent of these concessions, Her Majesty's Government do not mean that you should go further in regard to them than you may find to be necessary for the attainment of the objects in view. It is probable that, in reply to your application for the free admission of the produce of the British Provinces into the United States, the United States' Government will ask for the admission of the United States' fishermen to a participation in the British North American fisheries; and it is possible that you may be able to conclude an agreement on those terms. This, of course, you should in the first place endeavour to do; but if you should find this impossible, you will then proceed to add the offer of the free navigation of the St. Lawrence.

With reference to the arrangement for the free admission of the produce of the British Provinces into the United States, I have to say that Her Majesty's Government are very desirous that coals should be included in the list of articles to be admitted free of duty from the United States into the British Provinces, and from the British Provinces into the United States.

To the Provinces of Nova Scotia such an arrangement would be an object of very great importance, but as there is reason to believe that such proposal would be likely to meet with much objection on the part of the Government of the United States, as being injurious to the private interests of influential parties in the Union, I have to instruct you not to stand out upon this point if you should find that it would throw any insurmountable difficulty in the way of the speedy conclusion of the negotiation.

I have stated that it does not appear to Her Majesty's Government that any part of the proposed arrangement ought to apply to Newfoundland.

The reason for this exception is that Newfoundland stands upon a footing different from that of the other British Provinces, and because Her Majesty's Government would wish for the present to exclude Newfoundland from the proposed agreement, and to reserve the case of that Colony for separate consideration.

I have only to add that, in conducting this negotiation, you will communicate freely with the Governor-General of the British North American Provinces in all points affecting their interests.

Lord Elgin will be instructed to afford you all the information and assistance in his power.

I am, &c.  
(Signed) PALMERSTON.