"farms; building sites in Vancouver's Island; and in Canada ten square "miles at Lacloche, on Lake Huron; and tracts of land at fourteen other "places."

In addition to all this, I directed Mr. Cardwell's attention to the fact that the Hudson's Bay Company held a claim against the American Government, and which was at that moment under consideration by arbitrators, for the surrender of their rights on the Pacific, south of the boundary line established under the Oregon Treaty. I stated, on information that had reached me, but without personal knowledge of its correctness—that the American Government had expressed its willingness to pay \$1,000,000 for the extinction of that claim, but that the Company rejected it and were in expectation of receiving a much larger sum.

In view of all these facts, I contended that it was utterly unreasonable on the part of the Company to claim any such sum as one million sterling, even for the entire extinction of their Territorial and Trade claims East of the Rocky Mountains. But I admitted that it was for Her Majesty's Imperial Government to settle with the Hudson's Bay Company the consideration to be paid for the extinction of their claims, as it could not be expected that the people of Canada should bear the burthen of extinguishing a monopoly that they did not create and have never recognized, and the advantages from the extinguishing of which they would only share in common with the rest of Her Majesty's subjects. I urged that the Imperial Government should, without delay, secure the extinction of the Company's claims; and that the Government of Canada would be prepared to assume the duty and cost of opening up communications into the country and establishing Local Government in the settled portions.

I had the honour of interviews with several of Her Majesty's Ministers who were then in London, in which I was permitted to urge these views to a greater or less extent. But the Christmas holidays having intervened, and being compelled to leave England in time to be present at the opening of the Canadian Parliament on the 19th January, I was unable to press the matter to a close. I therefore suggested to Mr. Cardwell that I would report to Your Excellency the point to which the discussion had been brought, and that when the proposed Deputation of Members of the Canadian Government visited England in Spring the negotiation might be resumed and, if possible, brought to a satisfactory termination. Mr. Cardwell kindly consented to this arrangement.

I have the honor to be,

My Lord,

Your most obedient servant,

GEO. BROWN.

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