

"I accordingly take advantage of the departure of the 'Great Britain' steam-ship to acquaint your Lordship that I had yesterday morning a conference, by appointment, with Mr. Buchanan, when the negotiation for the settlement of the Oregon Question was formally resumed.

"As the best explanation which I could offer of the motives which had induced Her Majesty's Government to instruct me to make a fresh, and as your Lordship hoped, a final, proposition for the solution of these long-existing difficulties, I read to Mr. Buchanan an extract from your Lordship's despatch No. 18, beginning with the words, 'In this state of affairs, it is a matter of some anxiety and doubt what steps, &c., to the end of the despatch. It seemed to me that there was nothing in the observations contained in this part of your Lordship's instructions which might not be advantageously made known to the American Government.

"Your Lordship's language appeared to make a good deal of impression upon Mr. Buchanan. After I read to him the extract which I had prepared from the despatch, he requested to be allowed to read it over himself, in my presence, with which request I of course complied. I thought it best not to leave a copy of it in his hands, having in view the possible, although not probable, failure of the negotiation which might render it desirable to deliver to him a copy at length of the despatch, with a view to its ultimate publication.

"I then laid before him a copy of the draft of a Convention which accompanied your Lordship's despatch No. 19, which Mr. Buchanan said he would immediately submit to the President for his consideration. A minute of what passed between us was then drawn up and signed, with the draft of the proposed Convention formally annexed to it.

"Mr. Buchanan frankly told me that, in his opinion, the only part of the proposed arrangement likely to occasion any serious difficulty, was that relating to the navigation of the Columbia, for he said, that the strongest objection existed to granting the perpetual freedom of the navigation of that river. I did not fail to point out to him the great difference which existed between a perpetual and general freedom of navigation, and the qualified right of navigation contemplated by your Lordship's proposition. He admitted the force of my observations in this sense, but I collect, from what fell from him on this point, that an attempt will be made to limit the proposed concession to the duration of the existing charter of the Hudson's Bay Company.

"At 4 o'clock yesterday evening I again met Mr. Buchanan by appointment, when he told me that the President had come to the determination to submit our whole proposition to the Senate for their advice, and that it would accordingly be sent to the Senate at an early day with a Message, which Message might, and probably would, suggest some modifications of it. What these modifications might be, Mr. Buchanan said, had not yet been determined; but I imagine that they will not involve anything essentially hostile to the adoption of the proposed arrangement, or which may not be overcome by friendly negotiation and explanation between the two Governments.

"As relates to the Senate, my Lord, when we consider the moderate and conciliatory spirit in which the entire question of Oregon has been treated by a large majority of that body since the opening of the present Session of Congress, I think it may be fairly expected that their advice to the President on the reference which is about to be made to them will rather favour than impede an early and satisfactory termination of the Oregon difficulties.

"I should add that, in addition to what Mr. Buchanan said about the navigation of the Columbia, he gave it as his opinion that it would be necessary, and even advisable, with the view to avoid future misunderstanding, to define, or to provide for the early definition of, the limits of the farms and lands now in the occupation of the Puget Sound Agricultural Company, and which it is proposed shall be confirmed to the Association in perpetuity. To such a proviso, if conceived in a spirit of liberality and fairness, I imagine that Her Majesty's Government will have no objection. But upon this point, as well as what relates to the navigation of the Columbia, I will act with due caution, and, to the best of my humble judgment and ability, in conformity with the spirit and intention of your Lordship's instructions, as set forth in your Lordship's despatch No. 19.

"I have, &c.

(Signed) "R. PAKENHAM."

On the 10th of June, the President of the United States sent this Message to the Senate:—

"I lay before the Senate a proposal, in the form of a Convention, presented to the Secretary of State on the 6th instant, by the Envoy Extraordinary and Minister Plenipotentiary of Her Britannic Majesty, for the adjustment of the Oregon question, together with a protocol of this proceeding. I