

The American Counter-Draft does contain a provision for arbitration ; and Her Majesty's Government being desirous of having this question finally settled, and believing that there is little prospect of its ever being so settled without arbitration, in some shape or other, is willing to agree to adopt that principle.

The Draft now sent to be proposed to the United States' Government, contains therefore a provision for establishing a Commission of Arbitration.

The American Counter-Draft seemed to Her Majesty's Government to be open to many objections, both in its principles and in its details.

Her Majesty's Government are willing to adopt the principle of arbitration, and to assent to the particular mode proposed by the President for constituting the arbitrating authority ; but Her Majesty's Government do not see any advantage in carrying beyond the limits of necessity the employment and application of the arbitrating power, and the American Draft appears so to carry it.

That Draft provides, that if the joint Commission to be appointed by the two Governments shall not be able to agree as to the whole Boundary, then the determination of the whole of the Boundary is to be referred to the Commission of Arbitration, who are to decide the entire line from the monument at the head of the St. Croix to the point where the 45th degree of north latitude strikes the St. Lawrence.

It may happen that this arbitrating Commission may be obliged to decide and determine the whole of that line, but it seems needless to assume that this will be the case ; and it appears to Her Majesty's Government better that the Commission of Survey should decide finally all points on which they may agree, and that it should only be their points of difference that the arbitrating Commission should be called upon to determine.

The American Draft proposes that each Government should make out a statement to be laid before the Commission of Arbitration.

Her Majesty's Government are of opinion that it will be much better that the documents to be laid before that Commission should be the Reports of the Commission of Survey, together with any observations which each Government may think fit to make thereupon.

The American Draft proposes that the Commission of Arbitration should be empowered to appoint surveyors to make surveys, and that the two Governments should bind themselves to adopt as conclusive the reports of these irresponsible surveyors ; but such a proposal appears to Her Majesty's Government to be wholly inadmissible, and instead thereof, the Draft now sent, proposes, that any topographical information wanted by the Commission of Arbitration should be obtained through the two Governments from the Commission of Survey.

The other minor modifications of the American proposal will speak for themselves, and you will have no difficulty in explaining the reasons on which they are founded.

I must, however, particularly notice two or three passages in the American Counter-Draft which have been left out in the accompanying Draft, and which are wholly inadmissible. The first is in that part of the American Preamble, in which, by what appears to be merely a topographical description, the Contracting Parties would affirm, that the line claimed by the United States does correspond with the words of the Treaty of 1783, and that the line claimed by Great Britain does not do so.

It is scarcely to be supposed that the President could have expected that this passage could have been agreed to by the British Government.

The second passage is in the 10th Article of the American Draft, by which it is proposed that Mitchell's Map should be acknowledged as a document bearing upon the question to be decided. But Mitchell's Map is well known to be full of the grossest geographical inaccuracies, and to be remarkable for extraordinary errors in the latitude and longitude of places ; and as that map is not mentioned, or in any degree referred to by the Treaty of 1783, and as that Treaty is the authority now to be expounded, Her Majesty's Government cannot possibly consent to give