"GENERAL ORDER.

" Head-quarters, Chippewa, January 3, 1838. " Parliamentary

"Colonel Mc Nab has great satisfaction in announcing to the forces $\int d + 4 + 4 + 5 = 50$ under his command, that the destruction of the steam-boat 'Caroline,' in the employment of the pirates in Navy Island, was effected in a manner so highly creditable to the gallant volunteers from the naval brigade and troops on the night of the 29th of December, 1837, has met with the unqualified approbation of his Excellency the Lieutenant-Governor; and that his Excellency desires to express to Captain Drew and the brave volunteers who accompanied him, his thanks for the important services they have rendered this province, and which his Excellency will lose no time in making known to Her Majesty's Government.

"(Signed) K. CAMERON,

" Assistant Adjutant-General."

It appears clearly from these documents: 1st. That Colonel Mc Nab was authorized to proceed to the London district to disperse any rebels who might be found in arms.

2nd. That he was authorized to employ naval officers for the recovery of Navy Island.

3rd. That he did, under this authority, employ Commander Drew of the Royal Navy.

4th. That he ordered Commander Drew to cut out the "Caroline," then in the service of the rebels.

5th. That Commander Drew directed and led the attack on, and capture of, the "Caroline."

6th. That Colonel Mc Nab approved the conduct of Commander Drew.

7th. That the Lieutenant-Governor of Upper Canada publicly expressed his approbation of this proceeding, and thanked the officers and volunteers engaged.

Such have been the Colonial transactions on this subject. The conduct of Sir Francis Head, of Colonel Mc Nab, and Commander Drew, has never been in any way disavowed by Her Majesty's Government, and their conduct, and that of all persons acting under them, must, in the opinion of Lord John Russell, be considered as public acts, for which they cannot be responsible as individuals.

I have, &c., (Signed) JAMES STEPHEN.

No. 3.

Mr. Stevenson to Viscount Palmerston.

My Lord,

August 31, 1841.

I HAD the honour to receive yesterday the official communication, which your Lordship did me the honour to address to me, under date of the 27th instant, in reply to my Note of the 22nd of May, 1838, relative to the capture and destruction of the steam-boat, "Caroline," in the month of December, 1837, by a party of Her Majesty's Canadian subjects, within the limits and territorial jurisdiction of the United States. As the representations contained in your Lordship's Note touching this proceeding, differ so essentially in point of fact from those which were made to the Government of the United States, and which I had the honour of communicating to Her Majesty's Government in my first Note, and may consequently lead to a more thorough investigation of the whole affair, in order that the material facts of the case may be more fully ascertained; and as I am on the eve of returning to the United States, and there is reason to believe that my successor may be soon expected in England with instructions from his Government upon the subject, I do not feel it necessary or proper to embark in the general discussion of the important questions

A. P. S. m #0: Voi: 369.