I have addressed to General Cass, with regard to the alleged occupation of the Island of San Juan by a party of United States' troops.

I have also the honour to transmit to you a copy of the account of this affair, which has appeared in the newspapers, and which contains a few particulars that were not comprised in my telegram.

Since I wrote the above, I have been to the State Department, in compliance with a request from General Cass. The General said that he had sent my note immediately to the President, and had since seen the President on the subject. The only information respecting it, which had reached the Government, was, General Cass said, a report from General Harney, which had been forwarded from New York by General Scott, the Commander-in-chief of the United States' army. General Harney reported that he had found it necessary, in consequence of a requisition from United States' citizens, to send a detachment to the Island of San Juan, to protect them from the Indians, and from ill-treatment on the part of the English, and that he had sent one company of soldiers for this purpose, and held another in readiness to send also in case of need.

General Cass proceeded to say, that the President had desired the War Department to inform General Harney, that the Government of the United States considered that the principle to be observed with regard to disputed territory, was, that the actual *status* was to be maintained; "and, consequently, that he was by no means to take possession of the Island of San Juan, or to set up any jurisdiction there;"* but General Cass said, "that orders had not been sent to General Harney to withdraw the United States' troops from the Island." They were to confine themselves strictly to the protection of American citizens, but it might be necessary that they should remain for that purpose.

General Cass proceeded to observe that he was not yet in possession of sufficient information to enable him to make an official reply to my note, but that he should have in a short time a report from the United States' Commissioner, and that he would then make a written communication to me. In the meantime he would beg me to acquaint your Lordship with what he had said, and especially to assure you, from the President and from himself, that General Harney had not acted upon orders from the Government, but entirely on his own responsibility.

As it was barely possible for me to get home in time to make this report to your Lordship, I contented myself with replying that I considered the affair very serious and painful, and that I should await with considerable anxiety the written communication which the General promised me.

> I have, &c. (Signed) LYONS.

P.S.—The instructions mentioned by General Cass have been, no doubt, dispatched to General Harney by the California steam-packet which will have left New York to-day.

L.

Inclosure 1 in No. 6.

Lord Lyons to General Cass.

Sir,

Washington, September 3, 1859.

IT is stated by the newspapers that intelligence has been received in this city that a detachment of United States' troops has endeavoured, by order of General Harney, to establish itself in the Island of San Juan in the Gulf of Georgia.

It is needless that I should dwell upon the considerations which render me extremely anxious that this statement should not reach Her Majesty's Government without such information as to its truth or falsehood, and such explanations concerning it, as the Government of the United States may be disposed to afford. It cannot be necessary for me

* See General Cass' remark as reported in Lord Lyons' telegram of September 6, p. 9..