

DOWNING STREET,

9th March, 1869.

SIR STAFFORD NORTHCOTE, Bart.,

&c.,        &c.

SIR,

Earl Granville has had under review the correspondence which has passed respecting the proposed transfer to Canada of the jurisdiction and territorial rights of the Hudson's Bay Company in North America.

It is, in Lord Granville's opinion, of very great importance that this question should be settled on a permanent footing, and with little delay. He does not disguise the interest which Her Majesty's Government have in this settlement. It is not creditable to this Country, that any inhabited part of Her Majesty's dominions should be without a recognised Government capable of enforcing the law, and responsible to neighbouring countries for the performance of international obligations. The toleration of such a state of things in parts of the Hudson's Bay territory is unjust to the inhabitants of that territory, and is not without danger to the peaceful relations between this country and the United States. And this danger and injustice are likely to increase, in proportion, as the Mining and Agricultural capabilities of what is called the "Fertile Belt" begin to attract settlers from the East and South.