State, dated 27th November 1783, relative to settling Loyalists near the line 45.

" This leads me, my Lord, to the consideration of another part of your Lordship's letter, where you mention the advantages of settling with Royalists the tract of land to the eastward of the River St.-Lawrence and bounded on the North and West by the revolted colonies. Upon this head, I beg leave to observe that in all probability this Province. when the posts in the upper country shall be evacuated. will lose much of its importance in a commercial light, and that it will be a matter of great doubt whether it would be right to expend much money for the preservation of it, or at least it would never be worth the while to go to war about it, from hence it appears prudent to shun every thing which might bring on a rupture with the bad neighbours which surround us. For this reason I would rather wish that the tract of country alluded to, should be kept uninhabited as long as possible, and have therefore refused the repeated sollicitations of many of the people of Vermont who call themselves our friends, and of several Loyalists, for grants of lands on that frontier. It is still therefore in His Majesty's power to instruct his Governors to leave that tract of ground on the frontiers unconceeded, at least for some years. when a better judgment may be made than at present of the turn which affairs may take on this continent."

" There is another consideration ; the Canadians will encrease much in population, and in a few years, more lands will be wanted for them, and it seems good policy that the frontiers should be settled by people professing different religions, speaking a different language, and accustomed to other laws and government from those of our restless and enterprizing neighbours of New-England. Loyalists and Americans settled near one another could not agree at least for some years, and the smallest triffle might be productive of outrages, from which great mutual mischief would ensue in spite of all efforts on the part of the respective governments to prevent it; hence, my Lord, appears the great advantage which the land between the River St.-Lawrence and the Ottawa River towards Cataraqui possesses for making usefull and happy settlements for the Loyalists, and of which I have given in former letters an ample description."