steamboat "Caroline," on the 29th December, 1857.

I learn with deep regret that such is the decision of the President of the United States, for I cannot but foresee the very grave and serious consequences that must ensue if, besides the injury already inflicted upon Mr. McLeod, of a vexasions and unjust imprisonment, any further harm should be done to him in the progress of this extraordinary proceeding.

I have lost no time in forwarding to Her Majesty's Government in England the correspondence that has taken place, and I shall wait the further orders of Her Majesty's Government with respect to the important question which that correspondence involves.

But I feel it to be my duty not to close this communication without likewile leading my vast regret and surprise at the expressions which I find repeated in your letter with reference to the destruction of the steamboat Caro-I had confidently hoped that the first line. erroneous impression of the character of that event, imposed upon the public mind of the United States Government by partial and exaggerated representations, would long since have been efficed by a more strict and accurate examina ion of the facts. Such an investigation must even yet, I am willing to believe, lead the United S ates Government to the same conviction with which Her Majesty's authorities on the spot were impressed, that the act was one in the strictest sense of selfdefence, rendered absolutely necessary by the circumstances of the occasion, for the projection of Her Majesty's subjects, and justified by the same principles which, upon similar and well-known occasions, have governed the conduct of illustrious officers of the United States.

The steamboat Caroline was a hostile vessel engaged in piratical war against Her Majesty's people, hired from her owners for that purpose, and known to be so beyond the possibility of a doubt.

The place where the vessel was destroyed was nominally, it is true, within the territory of a friendly power, but the friendly power had been deprived, through overbearing piratical violence, of the use of its proper authority over that portion of territory. The authorities of New York had not even been able to prevent the artillery of the State from being carried off publicly at mid-day to be used as instruments of war against Her Majesty's subjects. It was under such circumstances which it is to be hoped will never recur, that the vessel was attacked by a party of Her Majesty's people, captured and destroyed.

A remonstrance against the act in question has been addressed by the United States to Her Majesty's Government in England. I am not authorised to pronounce the decision of Her

Majesty's Government upon the remonstrance, but I have felt myself bound to record, in the meantime, the above opinion, in order to protest in the most solenin manner against the spirited and loyal conduct of Her Majesty's officers and people being quadmes, through an unfortunate in apprehension, as I believe, of the facts, with the appellation of outrage or of murder.

I avail myzelf of this occasion to renew to you the assurance of my distinguished consideration.

H. S. FOX.

Mr. Forsyth to Mr. Fox.

DEPARIMENT OF STATE, Washington, Dec. 31, 1840.

Sir,-I have the honor to acknowledge the receipt of your note of the 29th instant, in reply to mine of the 20th, on the subject of the arrest and detention of Alexander M.Lcod, as one of the perpetrators of the outrege committed in New York when the steamboat Caroline was seized and burnt. Full evidence of that outrage has been presented to Her Majes-y's Government with a domand for redress, and of course no discussion of the circumstances here, can be either uteful or proper, nor can I suppose it to be your desire to invite it. I take leave of the subject with this single remark, that the opinion so strongly expressed by you on the facts and principles involved in the demand for reparation on Her Majesty's Government by the United States would hardly have been hazarded had you been possessed of the carefully collected testimony which has been presented to your Government in support of the demand.

I avail myself of this occasion to renew to you the assurance of my distinguished consideration.

JOHN FORSYTH.

It is expected that the proclamation of the re-union of the Canadas will be issued in a few days.

The re-union of the Canadas has been effected by Her Majesty's Government, in order "to relieve the financial embarrassments of Upper Canada; to enable her to complete her public works, and develope her agricultural capabilities; to restore constitutional government to Lower Canada; to establish a firm, impartial, and vigorous government for both, and to unite the people within them in one common feeling of attachment to British institutions and British connexion." The provinces being made one, under one legislature, it can adopt a uniform system of duties, increasing them on such articles as require or will admit