

the amount of assets, furnished in the prospectus upon the re-organization of the business of the Hudson's Bay Company in 1863, the subject of that prospectus and the argument of the Respondents upon it, are fully disposed of in the pages 27, 28, 29 of the closing argument of the Claimants in reply to the responsive argument of the United States.

There is one letter subsequently from Sir Stafford Northcote, and after the interval of a few days the letter from the Colonial Office proposed or rather prescribed certain terms, not as a basis for further negotiations but as an *ultimatum* for the settlement of the difficulty, in support of which Her Majesty's Government declared "they would be prepared to use all the influence which they could legitimately exercise."

There are passages in this letter which express so well the amount of pressure upon the Hudson's Bay Company, that it will be well to lay them before the Commissioners.

"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 cre-
 "ditable to this country, that any inhabited part of Her Majesty's
 "Dominions should be without a recognized 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
 "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."

"To Canada, the settlement of the question is not less important,
 "as removing a cause of irritation between it and its neighbours,
 "and even with the mother country itself, as destroying an obstacle
 "to that which has been looked upon as the natural growth of the
 "Dominion, as likely to open an indefinite prospect of employment
 "to Canadian labour and enterprise; and lastly, as enlarging the
 "inducements which Canada is able to offer to the British immigrant.
 "It is no small matter that it would enable Her Majesty's Govern-