

violation of that contract, erected by the Maine Authorities, it was contended that the Madawaska settlements did not extend to that point; and that circumstance was, to a certain degree, alleged in justification of the establishment of that post.

Whilst, therefore, I remain persuaded of the importance of arriving at an arrangement with the United States' Government, which shall remove the custody of this territory from the interference of the Government of Maine, I see no possibility of admitting this new condition; and if it be insisted on, I have no alternative, unless otherwise instructed by Her Majesty's Government, than to take such measures as may appear necessary to check any further encroachments on the part of Maine, even at the hazard of collision.

That object, however, is of so much consequence, that if this difficulty can be removed, and Mr. Webster is disposed to treat upon another basis, I am of opinion that we may depart, in some degree, from the terms which were stated in my despatch of the 25th of June, 1840, and which are in accordance with Sir John Harvey's agreement, namely: the valley of the St. John's on the one hand, and that of the Restook on the other; and I should be disposed to agree to the occupation of Fort Jarvis by the troops of the United States; confiding to them the exercise of jurisdiction over the southern bank of the river above the Fish River, but leaving to us that below its mouth.

No. 30.

*Viscount Palmerston to Mr. Fox.*

Sir,

*Foreign Office, August 31, 1841.*

I HAVE to acknowledge the receipt of your despatches of the 8th and 11th instant, inclosing copies of your correspondence with Lord Sydenham, and of the papers therein referred to, relative to the present state of your negotiation with the Government of the United States, for regulating the provisional custody and occupation of the Disputed Territory.

I have to state to you, in reply thereto, that Her Majesty's Government concur in opinion with Lord Sydenham, that it would not be right or safe to agree to any arrangement which should preclude Her Majesty's troops from moving, if necessary, into that part of the valley of the St. John which lies south of the river; but Her Majesty's Government are of opinion, that it would be highly inexpedient to consent to an arrangement by which United States' troops should be permitted, with the consent of the British Government, to occupy any position in the valley of the St. John. The agreement made between Sir John Harvey and General Scott is perfectly clear, and is as fair as it is clear; and you are instructed to adhere to that arrangement, which leaves the Americans in occupation of the valley of the Aroostook, and the British in occupation of the valley of the St. John. If this basis of arrangement were once agreed to, no difficulty could be experienced in defining the boundary between those two valleys sufficiently for the purpose.

I am, &c.,

(Signed) PALMERSTON.

No. 31.

*Mr. Fox to Viscount Palmerston:—(Received October 1.)*

(Extract.)

*Washington, September 12, 1841.*

IN my despatches of August the 8th and of August the 11th, I had the honour to forward to your Lordship copies of various correspondence between the Governor-General of British North America and myself, and between the United States' Government and myself, upon the subject of a proposed amended arrangement for the provisional custody and occupation of the Disputed Territory, by a limited force, on both sides, of regular troops; to the exclusion of the armed civil posse of the State of Maine.