

hold of Castine, Maine. The Americans, on the approach of the expedition, destroyed the fortifications, their vessels and supplies, and retired, the territory being then occupied by the British, who remained there while the war lasted. All south eastern Maine including Castine, Bangor, Machias and Eastport, were thus held. Halifax merchants did a large trade with this territory. The duties paid on their goods by the Americans was kept as a special fund, "The Castine fund" and brought back to Halifax as the property of the Province.

Since 1814 unbroken peace has existed between Canada and the United States, and, generally speaking, the Maritime Provinces and New England have been very friendly. On two occasions, however, there was grave danger of armed conflict.

In the Treaty of peace which closed the Revolutionary war, the boundary between the two countries had not been clearly defined and it was not long before disputes arose.

The first occasion was immediately at the close of the Revolutionary war, when the British troops and a number of Loyalists from Castine (the last American territory to be evacuated) moved to the east side of the St. Croix river, where they were given grants of land. They were notified by John Allan that they were trespassers on U. S. territory. He insisted that the boundary was the river Magaguadavic, several miles eastward. On the advice of Charles Morris, Surveyor-general of Nova Scotia, the settlers disregarded his interference. The Governor of Massachusetts asked Governor Parr to remove them. He referred the matter to Thomas Carleton, first Governor of the Province of New Brunswick, who would not disturb the settlers, insisting that they were on New Brunswick territory. No further efforts were made to change the situation for some years. In 1794 an American surveying party appeared on the