

Fort Garry, Manitoba,
November 18th, 1874.

SIR,

By direction of the Governor and Committee of the Hudson's Bay Company, I have the honour of transmitting to you herewith a letter, dated 23rd December, 1873, from Sir Stafford H. Northcote, accompanied by a statement of losses sustained by the Company during the insurrection at Red River in 1869-70, and a letter of the 20th October last from the Right Honorable George G. Goschen, the present Governor of the Company, having reference to the same subject.

In placing these papers before the Canadian Government, I deem it unnecessary to advance any further in support of the claims made for compensation to the Company and their Officers than that, as both were innocent sufferers, they must, in justice, be held not less entitled to compensation for these losses, which arose from circumstances they were wholly unable to control, than were those individuals to whom the Canadian Government have already granted indemnity—in one instance at least to an extent in proportion to the actual loss suffered—far beyond that to which the Company lay claim.

In the preparation of the Statement accompanying Sir Stafford Northcote's letter the greatest care was taken not to include any item the correctness of which could be questioned; the value put on the property seized by the insurgents being based, not on what the goods were actually worth to the Company as articles of trade, but on the net invoice and inventory prices.

Had it been the desire of the Hudson's Bay Company to put forward a demand for compensation in any wise approaching in extent the injury to which they were subjected in consequence of their stores being seized and their business interrupted, it would not have been difficult to prove that it could not be met by a sum many times greater than that now claimed.

May I beg the favour of a reply addressed to me at Montreal, where I expect to be in a few days?

I have the honour to be, Sir,

Your most obedient Servant.

(Signed) DONALD A. SMITH.

The Honorable the Secretary of State, Ottawa.
