

dentially informed that Her Majesty's Government have reason to believe that General Scott will withdraw that portion of the American force which has landed since the first detachment, and that the United States' Government will not object to a joint occupation of the island while the question of right is undetermined.

I am, &c.
(Signed) WODEHOUSE.

No. 49.

Mr. Elliot to Mr. Hammond.—(Received October 24.)

Sir,

Downing Street, October 22, 1859.

I AM directed by the Duke of Newcastle to send you, for the information of Lord John Russell, copy of a further despatch, with inclosures, received from the Governor of Vancouver's Island respecting the occupation of the Island of San Juan by the United States' troops.

I am, &c.
(Signed) T. FREDK. ELLIOT.

Inclosure 1 in No. 49.

Governor Douglas to Sir E. B. Lytton.

Sir,

Victoria, Vancouver's Island, August 22, 1859.

I BEG to communicate, for the information of Her Majesty's Government, that the Island of San Juan is still occupied by detachments of United States' troops, the force now assembled there being about 400 men, with eight 32-pounder guns, several field-pieces, and a large quantity of military stores, besides a number of labourers and artificers who are to be employed in erecting barracks for those troops: their occupation of the island has, therefore, assumed an unmistakeable character of permanence.

2. On our part we maintain Mr. de Courcy on the island as Resident Magistrate, and Her Majesty's ship "Satellite," with a complement reinforced by the addition of fifty-four supernumerary Marines, is anchored in the offing, for the protection of British subjects, but none of Her Majesty's troops have been landed there.

3. Every precaution has been taken on our part to avert the danger of collision, and conflicts are not expected to occur, unless the rights of British subjects should be violated by attempts on behalf of the United States to levy taxes on their property, or otherwise to spoil or oppress them.

4. I confess with regret that my views differ essentially from those expressed by Rear-Admiral Baynes, in reference to the maintenance of Her Majesty's rights to the Island of San Juan.

5. Rear-Admiral Baynes is opposed to the landing of troops on San Juan, as was intended by me, because he believes they would have been resisted on landing by the troops of the United States, while I had no fears of any such result. Our respective views are fully explained in a correspondence with him on the subject, which is herewith forwarded.

6. The measures which I deemed it necessary to take in order to hold San Juan against the encroachments of the United States are therein set forth, and my opinion on the subject remains unaltered. I feel assured that a bold and resolute stand, as I proposed in the first instance, would have nipped their project in the bud, increased the influence and dignity of this Government, and prevented collisions, which a policy of concession may precipitate. I think the letter from General Harney, giving his reasons for occupying San Juan, will add force to that opinion, as it shows that the project was undertaken in a spirit of levity, and with a want of consideration hardly consistent with a settled and pre-arranged purpose.