

to Vancouver's Island alone, then other settlements might have been made on the main land or on some of the islands, under a different authority, and the want of unity in the ruling power would probably have been attended with some diversity of purpose and conflict of interests, real or apparent, which it was desirable to avoid as tending to impede the object in view.

Then, again, the Company by their license of exclusive trade from the Crown, which has still more than 11 years to run, have had virtual possession of all this territory for nearly 30 years. It is studded from end to end with their trading posts, and they have acquired great influence with the natives, which I thought a matter well worthy of consideration in any plan that might be formed for colonizing the country. After much reflection, and looking at the question in its various bearings, I was convinced that a grant having colonization for its object, should, in order to carry out that object effectually, comprehend the whole of the territory west of the Rocky Mountains.

This was the extent of the grant which I had originally intended to propose should be given to the Company; but it was suggested to me that, in the event of such a grant being obtained, the territory lying east of the Rocky Mountains, and north of the Company's territories, which may be considered as a sort of debateable land, would be in an isolated position, there being no access to it except through the Company's territories, or by way of the Rocky Mountains through the country comprehended in the grant proposed.

Under these circumstances, and as it formed part of the territories over which the royal license of exclusive trade extended, I thought it best that it should be included in the grant, but really caring very little whether it was so or not.

I am very glad to learn that your Lordship is exceedingly anxious for the colonization of Vancouver's Island. I have no doubt that your Lordship, as a statesman, must feel the importance of a settlement in this part of the Pacific, where Great Britain has none, and the Americans, having one already on the Wallametta, are proposing to take measures for establishing another on the opposite side of the straits to Vancouver's Island, and are building large steamers for communication with the district. I shall not occupy your Lordship's time by offering my views of the nationality of the object any further than to say they are in accordance with those of your Lordship.

Such being the case, the Company would accept of any grant, even for the island of Vancouver alone, to effect the object; but for the reasons I have given, I think you will be of opinion with me, that it should be more extensive. By the charter of the Hudson's Bay Company power is given to them to appoint and establish governors and all other officers to govern their territories, and a council for the several respective places where the Company have plantations, factories, colonies, &c., and to judge all persons who shall live under them in all causes whether civil or criminal, &c. &c.; all which rights are recognized by the Act of 1 and 2 Geo. IV., cap. 66, so that at once, by making such a grant, all the powers of jurisdiction vested in the Company would come into operation over the whole territory. As the Company have officers at Vancouver, who are competent to hold, temporarily, the situations of governors and of councillors, no new legislative measure would be, in the first instance, at all necessary, and any subsequent one that might be found requisite would be arranged with the settlers, or other persons who might be disposed to associate together, for the purpose of bringing land into cultivation, working mines of coal, or whatever else the country might produce.

Thus the Hudson's Bay Company having an allotment of land for the purposes of their free trade, might, as they now do in the Columbia, cut timber, catch and preserve salmon, and export the same to the Sandwich Islands. The Puget Sound Association, in the same way, might cultivate land either in connexion with their establishment at Nisqually and the Cowlitz, or (in the event of the Americans taking these lands under the treaty) transfer all their farming operations to Vancouver Island, or take up the working of coal, and if there were any probability of profit, convey it to Panama and other places, as proposed in the prospectus I enclosed in my last.

The Hudson's Bay Company would not desire to derive any pecuniary benefit from grants for these purposes, as the proceeds of all such grants would be applicable only to the objects of colonization. The security of their property from American aggression would be the advantage they would expect to derive from the contemplated plan.

I fear,