

3. His Excellency also gathers that subsequently to my first letter communicating to you the requirements of the public, you sold by private contract a portion of such land, the same having been previously advertised for sale by public auction.

4. His Excellency cannot concede that the question of whether or not the land is to be devoted to public purposes rests with you for decision. His Excellency has offered to refrain from pressing the point until it can be determined in the proper quarter, provided you will agree not to alienate the land in the meantime. You not only refuse this, but you take advantage of an opportunity which offers for selling privately a portion of the land in question. Reluctantly, therefore, is His Excellency compelled for the protection of the public to have recourse to those measures intimated in my letter of the 11th instant.

5. Both in your present letter and in that of the 31st ultimo there are various circumstances introduced wholly foreign to the subject now treated of. His Excellency considers it quite unnecessary for him now to refer to those circumstances, either to expose the misrepresentation of facts in connection therewith, or to controvert the opinions in which you have so freely, and as His Excellency hopes, thoughtlessly indulged.

I have, &c.,

(Signed)

WILLIAM A. G. YOUNG.

To A. G. DALLAS, Esq.,
&c., &c., &c.

VANCOUVER ISLAND,
No. 61.

DOWNING STREET,
15th June, 1861.

Sir :

I have to acknowledge the receipt of your despatch No. 9, of the 7th February last, on the subject of the intended sale by the Hudson's Bay Company of the water frontage of the City of Victoria.

I enclose for your information a copy of a letter which I caused to be addressed to the governor of the company, together with a copy of Mr. Berens' reply, from which you will learn that directions have been sent to the company's agent at Victoria to suspend the sale of the land in question.

I have, &c.,
(Signed)

NEWCASTLE.

GOVERNOR DOUGLAS, C.B.
&c., &c., &c.

DOWNING STREET,
23rd May, 1861.

Sir :

I am directed by the Duke of Newcastle to enclose herewith for your consideration the copy of a despatch from Governor Douglas transmitting a correspondence which had passed between himself and the agent of the Hudson Bay Company in Vancouver Island on the subject of the sale by the company of the water frontage in the City of Victoria.

You will observe that the Governor, anticipating that the whole of this property might be disposed of by the agent of the company to private individuals, applied to him to reserve a plot suitable for a public landing place and Harbor Master's office, offering to repay any outlay which the company might have incurred in the purchase or improvement of the land. This offer was in exact conformity with the principle laid down in Sir. J. Pelly's instructions to Governor Douglas of the 23rd May, 1851, that if any