

Incl. 1, in No. 2.

## Enclosure 1, in No. 2.

Sir,

Hudson's Bay House, 24 November 1852.

I HAVE the honour to acknowledge Lord Desart's letter of the 2d July, addressed to the late Sir John Henry Pelly, Governor of the Hudson's Bay Company, and in compliance therewith, I have to state the following facts as to the transactions of the Company in relation to Vancouver's Island, from the date of the grant thereof, until the 27th April 1852, the date of the latest information received upon the several points.

1st. *Quantity of Land Sold.*

There have been sold 1,478  $\frac{1}{2}$  acres of land, to 11 persons.

The fur trade branch of the Hudson's Bay Company are in possession, under the sanction of Her Majesty's Government, of 3,094 acres of land, which were occupied by them previous to the date of the Boundary Treaty. They have sold portions of this land to some of their retired servants, who have settled themselves upon it.

Applications have been made by 19 persons for the purchase of land to the extent of 2,355 acres, which are in course of being surveyed, so that titles may be granted and the price paid.

To obviate the difficulty of providing the means of subsistence for settlers on their first arrival, the Puget Sound Company have made arrangements with four competent and experienced agriculturists to cultivate four farms. The Puget Sound Company supply the capital, and give an interest in the profits of cultivation to the persons employed to conduct the farms, with the option of purchasing them at their cost price. The surveys of these farms have not yet been received, but as soon as the number of acres is ascertained, which will probably extend to about 2,500 acres, the same will be paid for at the rate of 20s. per acre.

2d. *The Number of Settlers.*

No return has been received from the island of the number of settlers, further than is to be inferred from what is stated above, by which it appears that 11 persons have purchased lands, and 19 persons have applied for land, besides those who have purchased lands from the fur trade branch of the Company.

The Hudson's Bay Company, and the Puget Sound Company, have, at their own expense, respectively sent out 271 males with 80 females and 84 children belonging to them. These people were chiefly agricultural labourers, the remainder were farm bailiffs, miners, and mechanics. They were sent out at the following periods; viz. :—

	Males.	Females.	Children.
In 1848 - - -	21	5	6
1849 - - -	67	5	-
1850 - - -	99	25	27
1851 - - -	28	2	-
1852 - - -	56	43	51
	<u>271</u>	<u>80</u>	<u>84</u>

In the engagement with the labourers, it is stipulated, that, if they perform their contracts of service in a satisfactory manner, they shall receive a reward of 25*l.* over and above their wages, to be paid to them in land at the price of 20s. per acre, so that it may be expected that many of them will become settlers.

3d. *Monies received for Sales of Land.*

	£.	s.	d.
Amount received - - - - -	1,478	10	-
Of which there falls to the Hudson's Bay Company one-tenth - - -	147	17	-
And the remainder - - - - -	£.	1,330	13 -

Is held in trust for colonization purposes.

4th. *Monies received in respect of Coal and other Minerals.*

There have been sold and exported by the Hudson's Bay Company, 1,315 tons of coals, which were collected from the surface seams by the Indians, and traded from them.

	£.	s.	d.
The royalty on this quantity, at 2s. 6d., amounts to - - - - -	164	7	6
Of this there falls to the Company one-tenth - - - - -	16	8	9
And the remainder - - - - -	£.	147	18 9

Is held in trust for colonization purposes.

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