

Victoria must be, I think, the most lovely and beautifully situated place in the world. I never saw anything before like it. In summer it must be exquisite. I was surprised to see the size and rapid growth of the town; there are some thousands of people who are putting up houses every day. It will be a large city ere a few years are over. How important is our work! The Church of England here is in a feeble state; had it been left long so, it would almost have been trampled out. Our only church is of wood, holds about four hundred, and stands nobly on a site which one day may be occupied by a cathedral. My iron church will come at the most fortunate moment, and we shall be prepared for the further influx of people in the spring. I shall work this myself for awhile, and superintend the supply of all the wants of the town and neighbourhood; whether my residence will be here permanently or not I cannot yet say. There is immediate want of a collegiate school or college. I shall require a good Head for this; it will be well supported, I doubt not. I should like to find a man who would take a lead here in education. I find there are several important posts immediately requiring to be filled up. As to the work now going on—Mr. Dundas, Court-house, Victoria, morning and evening; Mission Chapel at Esquimaux in the afternoon. Mr. Sheepshanks, New Westminster, much liked; three full services on Sunday; several Chinese under instruction; church will shortly be built here. This place during the present year is expected to make much progress. We begin now to expect the *Athelstone* with mission-house and church, and the *Heather Bell* with other three missionaries of my little staff, who are still on their long voyage. Some ships are out a long time, so they may be a month or two months yet before arrival. The work will, I believe, be deeply interesting; and, if well supported by the right men, and sufficient means at first, will lay a good foundation of true religion in this important colony of Britain. God give us all grace to spend and be spent for Christ's sake, and the souls of many, now scattered as sheep without a shepherd. There is no use having any man out here who is not an effective preacher; that must always be a qualification—better without him unless so gifted.

Some things here are dearer than in England considerably. Servants and house-rent are the worst. Beef, 10*d.* per lb.; excellent mutton, 1*s.*; butter, 2*s.* 6*d.* per lb.; coals, 32*s.* per ton. But other supplies are very reasonable.—Soft sugar, 4*d.*; loaf ditto, 6*d.* per lb.; tea, 2*s.* 6*d.*; fish, very cheap and good; also potatoes; flour, same as in England; milk, 6*d.* per pint; washing, *terribly* dear. Single men, however, live as cheaply as in England. Dundas pays 140*l.* per annum for board and lodging, and is very comfortable indeed. Prices are likely to fall much lower, and I should not be surprised if one could soon live here as cheaply as in England.

There are some pleasant people here. I have had many visitors. A good number of young men are waiting to be employed. Artisans of any kind can make enormous wages. Even gentlemen are day-labourers on account of the good pay, and doing anything rather than be idle. Very rich gold-beds have been discovered within the last two