COPY of Correspondence between the Chairman of the Hudson's Bay COMPANY and the SECRETARY OF STATE for the Colonies, relative to the COLONIZATION of Vancouver's Island.

— No. 1. —

COPY of a LETTER from Sir J. H. Pelly, Bart. to Earl Grey.

My Lord, Hudson's Bay House, 7 September 1846. THE annual ship of the Hudson's Bay Company to the Columbia and north- Sir J. H. Pelly, west coast of America is now loading, and will be ready to sail about the middle Bart, to Earl Grev. of this month. By this opportunity the Company send out their instructions 7 September 1846. for the information and guidance of the officers in charge of their interests in that quarter.

No. 1,

The treaty for the division of the Oregon territory having been concluded, I conceive that all questions respecting the possessory rights of the Hudson's Bay Company, and of all other British subjects who may be already in the occupation of lands or other property, as stated in the 3d Article of the treaty; or respecting the lands, farms and other property of every description belonging to the Puget Sound Agricultural Company, as mentioned in the 4th Article (the whole of which is on the south side of the line of demarcation, viz. latitude 49), will be referred to the Secretary of State for Foreign Affairs; but that questions relating to settlement in the territory on the north side of the boundary line (now exclusively British) will belong to the Colonial Department over which your Lordship presides.

Assuming that I am right in this opinion, I now address your Lordship with the view of ascertaining the intentions of Her Majesty's Government as to the acquisition of lands, or formation of settlements, to the north of latitude 49.

The Hudson's Bay Company having formed an establishment on the southern point of Vancouver's Island, which they are annually enlarging, are anxious to know whether they will be confirmed in the possession of such lands, as they may find it expedient to add to those which they already possess.

With regard to the question of trade, your Lordship is aware that the Company, by a grant from the Crown, dated May 13, 1838, have the exclusive right of trading with the natives of the countries west of the Rocky Mountains for 21 years from that date.

I have, &c.

(signed) J. H. Pelly.

- No. 2, -

Copy of a LETTER from B. Hawes, Esq., to Sir J. H. Pelly, Bart.

Downing-street, 3 October 1846. In reference to your letter of the 7th ultimo, respecting the colonization B. Hawes, Esq. of the British territories in North America situate to the westward of the to Sir J. 11. Pelly, Rocky Mountains, and to the northward of the 49th degree of north latitude, and in reference to what passed at the interview which took place with you on that subject at this office on the 23d of September, I have received the directions of Earl Grey to request that you would move the Directors of the Hudson's Bay Company to apprise his Lordship, with as much exactness as may be possible, what is the extent and what are the natural or other limits of the territory in the possession of which they desire to be confirmed, pointing out what may be known regarding the soil, harbour and navigable streams comprised within it. I am further to signify to you Lord Grey's wish to be informed by the Company, whether they are advised that their right is clear in point of 619.

3 October 1846.