

4. I have specially addressed the company upon the subject of the non-arrival of these deeds, and in replying to the communication before alluded to from the Governor of the company, I have again adverted to the circumstance, as will be seen from the copy of the letter I enclose herewith.

5. My recent despatch, No. 51, of the 7th December last, will throw much light upon the claim now under the consideration of the Judicial Committee of the Privy Council, made by the company to 3,084 acres around Fort Victoria, and I trust I may be pardoned for urging upon your Grace that no settlement of the claim should be admitted which would in any way infringe upon the reserves made and virtually guaranteed to the public by being marked upon the official plan and used as appropriated.

6. To convey a clearer idea of the position of the lands in question I forward herewith a rough sketch map of town of Victoria and environs, upon which the portions reserved for governmental and public purposes are distinctly marked and noted in color.

I have, &c.,
(Signed) JAMES DOUGLAS.

HIS GRACE THE DUKE OF NEWCASTLE,
&c., &c., &c.

No. 54.

DOWNING STREET, 15th April, 1861.

Sir,

I have the honor to acknowledge the receipt of your despatch No. 6, of the 10th of January last, in reference to the arrangements connected with the resumption of Vancouver Island by Her Majesty's Government.

There is no doubt that inconvenience and delay must be occasioned by the system to which you refer of sending to England all deeds of grants of land in Vancouver Island, in order that the seal of the Hudson's Bay Company may be affixed to them; but this appears to be unavoidable so long as it is necessary to the validity of the grants that they should bear that seal. The arrangement, however, is temporary only, and will, I trust, shortly be discontinued, as soon as the pecuniary accounts between Her Majesty's Government and the Company are adjusted, and the island is reconveyed to the Crown, the usual more convenient system will no doubt be brought into operation.

With regard to the recommendation contained in your despatch on the settlement of the company's claim to land around Fort Victoria, I have to inform you that until the title of the Hudson's Bay Company to lands by reason of occupation prior to 1849 is decided no steps can be taken for the settlement of the question respecting this particular land; but that when a decision has been obtained on the general question, the local government will be consulted before deciding on the final arrangements to be made with the company in regard to the disposal of the ground in the vicinity of Victoria.

I have, &c.,
(Signed) NEWCASTLE.

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

HUDSON'S BAY HOUSE,
LONDON, June 29th, 1860.

Sir,

In accordance with arrangements which have been made with Her Majesty's Government you are hereby authorized on the part of this company to dispose of such of the land in the Island of Vancouver as has not already been disposed of by this company, or as is not claimed by them as having been their property prior to the grant of the Island from the Crown.