

therefore, will have a claim upon the Government for the value of the land." In 1859, Mr. Berens admits this land to be in the possession of the local Government, and simply contends that the company will have "a claim" for the value of the land. In 1861, Mr. Berens represents a portion of the same land to be part of a farm "cultivated" and "cropped" by the servants of the company, and only separated from that farm in imagination by a proposed street. I have already shown that the lines of the Government Reserve were run and marked in 1858, that the Hudson's Bay Company were in possession of a copy of the official plan of the town upon which those lines are traced, and although one of those lines now forms part of one side of the proposed street (actually laid out in 1859), yet at the time it had no reference to it, and no other significance than the rear line of boundary of the Government reserved land; on the contrary I think the inference may not unfairly be drawn that in laying out the street alluded to in 1859 the situation of the Government Reserve did govern the position and direction of such street and of the lots surveyed off and sold; otherwise it seems remarkable that lots should be laid out and sold upon one side of a street only, and that when fresh lots were required they should be laid out and sold in the *rear* of those first disposed of—the less remote meanwhile not only being not sold but not even surveyed or exhibited for sale, and at least that this piece of land which had it been at the disposal of the Hudson's Bay Company, could have been very advantageously disposed of if put up for sale in lots at public auction, should be parted with to a private individual, a land-agent by profession, without being surveyed and divided in similar manner to the other side of the street.

6. The claim for payment of the value of the land which Mr. Berens asserts in 1859, would, I conceive, be perfectly legitimate if the company in the first instance paid for the land, for it would be merely an equitable refund in a case where the company had no power to sell or purchase, but as the company had not paid for it nor any portion of the 3084 acres dealt with by them as private property they cannot, I apprehend, sustain any claim for repayment or reimbursement on account of any portion of those 3084 acres required for public purposes; for whether the private ownership of those lands be admitted or not the same principle, I conceive, must govern both them and the other lands of the Colony, viz., that all portions as are required for public purposes must remain in the Crown, and are consequently wholly removed from the control of the Company, whatever general rights and privileges may have been accorded by the Crown.

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

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