

Sir,

Toronto, 19 December 1857.

I HAVE the honour to submit my report, with detailed returns, showing the result of the second sale of Indian lands, which was opened at Owen Sound on the 15th, and closed on the 22d September last.

Although the number of farm lots offered for competition was less at this than at the former sale, the time occupied by the auctioneer in selling was two days longer. This was occasioned by the sale of the large town plot of Brooke, which was comprised of 2,032 town and small park lots, each of which was put up separately.

The whole of the park lots (123), and 1,634 of the town lots were bid off, making a total of 1,757 lots sold.

My instructions were to offer two modes of payment to the purchasers of lots in Brooke. One by an instalment of one-fourth of the purchase money to be paid down, and six annual payments for the remainder; the other on a 10 years' lease; the purchaser or lessee to pay one year's interest at six per cent. in advance, yearly, on the amount of the lots bid off for the term of the lease; and at the end of that period, to pay an addition of 25 per cent. on the original purchase price.

The latter mode was considered the most favourable, and was generally chosen by a large majority of the buyers; as, of 1,162 lots settled for, only 173 were taken on the payment of the instalment of one-fourth down.

In the town plot of Brooke there are numbers of Indian houses, eight of which were valued at 40 l. to 50 l. each, and one at 100 l. Of these only two were sold and paid for, the valuation being considered too high.

As regards the principle of leasing, and judging by what I heard from numbers of the people present at the sale, I feel persuaded that if that system had not been adopted, the sale of the town plot could not have been effected.

The time for holding the sale was well chosen. There had been, for a short time previous, a slight pressure for money, which, doubtless, in some measure affected the receipt of instalments paid in at Owen Sound; but the effect of the monetary crisis since the close of the sale has been very apparent, in the small amount of instalments paid into the banks here. Many of the large purchasers at the first sale of lands in 1856 had been allowed to complete their payments in this city, and the same parties who had purchased at the recent sale, promised, and, doubtless, intended to deposit their instalments here, but have failed to do so.

There will, consequently, be a large number in default, whose lots will be forfeited, unless the Department should think proper, under the circumstances, to grant those persons an extension of time to make good their payments.

The amount due for the first instalment is \$ 18,632. See Table No. 2.

It will be seen in Table No. 4, that a large number of purchasers of the lands in Sarawak are behind with their instalments; there being 4,299½ acres, or nearly half the lots in the township unpaid. I imagine that nothing but the extreme difficulty in procuring money could have prevented these persons from making their payments; for these were the most desirable lands offered at the sale, were much sought after, and there was consequently a spirited competition amongst the bidders.

I had prepared my returns in the currency heretofore used, but, according to your directions, have changed the entries of all the lots to dollars and cents, the form prescribed by the Provincial Act passed last Session, which goes into operation on the 1st of January next.

I append five tables.

No. 1. Return of all land sold.

No. 2. Shows the portion in which the instalment is paid and unpaid, and the amount due to the Department.

No. 3. Return of unsold land and its value at the upset price.

No. 4. Detail of the sale of the town plot of Brooke.

No. 5. Shows the amount of money paid in for instalments, and the tribe to which it belongs.

R. T. Pennefather, Esq.,
Superintendent General, Indian Affairs,
&c. &c. &c.

I have, &c.
(signed) W. R. Bartlett,
Agent for the Sale.