

The Hudson's Bay Company have incurred very considerable expense in searching for coal, by boring or otherwise, but without success until lately, when promising appearances have been discovered about 80 miles north of Fort Victoria, on the east coast of the island, nearly opposite the mouth of Fraser's River, and measures have been taken to follow out the search, and work the coal if found practicable.

5th. *Expenses incurred for Colonization and Improvement.*

Amount expended - - - - - £. 1,986 4 9.

The high rate of wages in Oregon and California, and the attraction of the gold districts in the latter country, have not only operated to prevent persons of capital settling in Vancouver's Island, but also obstructed the Hudson's Bay Company and the Puget Sound Company in their endeavours to bring land into cultivation, and provide means of subsistence for settlers. Hitherto it has been necessary to import flour for that purpose, and for the use of the Company's establishments on the island.

Should the coal lately discovered prove to be a workable seam, there will be employment for a large number of people, and an extended market for agricultural produce, which will tend to promote the settlement of the island, and attract shipping to its harbours.

I have, &c.

The Right Hon. Sir John Pakington,
&c. &c. &c.

(signed) A. Colvile, Governor.

Enclosure 2, in No. 2.

Encl. 2, in No. 2.

STATEMENT of Payments applied to the COLONIZATION and IMPROVEMENT of
Vancouver's Island, to the 31st October 1852.

	£.	s.	d.
Peter Smith, Esq., of the Colonial Office, on issue of grant from the Crown, of Vancouver's Island - - - - -	263	11	4
Crowder & Maynard, solicitors, legal expenses connected with the grant of Vancouver's Island - - - - -	51	15	2
Peter Smith, Esq., of the Colonial Office, on issue of commission to Richard Blanshard, Esq., as Governor of Vancouver's Island, and Vice-Admiral Travelling expenses of Richard Blanshard, Esq., to Vancouver's Island <i>via</i> Chagres - - - - -	58	15	9
Stevens & Norton, for law books for Governor Blanshard - - - - -	175	-	-
Peter Smith, Esq., of the Colonial Office, on issue of commission to James Douglas, Esq., as Governor of Vancouver's Island and Vice-Admiral - - - - -	51	8	6
Captain Walter C. Grant, surveyor, salary from 25th March 1849 to 25th March 1850, when he resigned, and for extra services - - - - -	76	16	8
Travelling expenses of Joseph D. Pemberton, surveyor, to Vancouver's Island, <i>via</i> Chagres - - - - -	192	10	-
Passage-money of Benjamin Pearce, surveyor, from London to Vancouver's Island - - - - -	172	3	-
Joseph L. Pemberton and Benjamin Pearce, surveyors, salaries from 25th June 1851 to 1st June 1852 - - - - -	40	-	-
Salaries to Governor Douglas for conducting the sales of land, &c. &c. from 1st June 1850 to 1st June 1852 - - - - -	390	-	6
Advertisements in the English, Scotch, and Irish newspapers respecting the colonization of Vancouver's Island, printing, and other incidental expenses - - - - -	290	-	-
	344	3	10
	£.	1,986	4 9

Hudson's Bay House, London, }
24 November 1852. }

Edward Roberts, Accountant.

By order of the Governor, Deputy Governor, and Committee,

A. Barclay, Secretary.