

Enclosure 3, in No. 3.

EXTRACT of Despatch from Messrs. *Peter Skene Ogden* and *James Douglas* to Sir *George Simpson*, dated Fort Vancouver, 19 March 1846.

Encl. 3, in No. 3.

THE outfit of the north-west coast was landed at Fort Victoria, direct from England, and in course of the summer, the returns and produce of Forts Nisqually, Longley and other posts on the coasts, and from this river, were transported thither and deposited for exportation; an exceedingly convenient arrangement, which obviates the necessity of exposing so much valuable property to the risks and dangers of the Columbia bar. We are now enlarging the fort, and getting two additional buildings erected of 100 x 40 feet to store the depôt goods away, and other improvements to facilitate the landing and discharging the vessels are also in progress. The farm has been considerably enlarged, and upwards of 100 head of cattle and horses carried thither from Puget's Sound. In short, every effort is and will be directed towards giving form and substance to the plan proposed in your letter.

Enclosure 4, in No. 3.

EXTRACT of Despatch from Sir *George Simpson* to the Governor and Committee of the Hudson's Bay Company, dated Red River Settlement, 18 June 1846.

Encl. 4, in No. 3.

FORT Victoria promises to become a very important place, and is decidedly better adapted, as regards situation, to be the great depôt for the country than any other of our establishments on the coast, being easy of access at all seasons, and so far distant from the disorderly population of Columbia that we have little cause for apprehension from that quarter.

From the observations of Messrs. Warre and Vavasour, who visited the establishment, I should infer that the fort has not been erected on the most convenient site as regards the shipping. I shall draw the attention of the Board of Management to this subject, after Messrs. Warre and Vavasour have afforded me a perusal of the report they have prepared for the information of Her Majesty's Government, giving the result of the visit to the Oregon territory. It is intended to increase the farm at Fort Victoria, for which the country appears well adapted, but I have not been furnished with any detailed information on the subject.

During the first winter, about 100 head of cattle and horses were conveyed thither from Nisqually, and the farm last season produced 1,000 bushels of wheat over and above the expenditure of the post.

Three American whaling ships entered the Straits of Fuca last autumn, for the purposes of obtaining supplies; and I think it likely an advantageous branch of business may be formed at Victoria, by supplying the ships engaged in the whale fishery with clothing, marine stores, refreshments, &c., being much nearer the fishing grounds than either California or the Sandwich Islands, the dangerous bar of the Columbia river interdicting frequent intercourse with that quarter.

—No. 4.—

EXTRACT of a LETTER from *B. Hawes*, Esq. to Sir *J. H. Pelly*, Bart., dated Downing-street, 14 December 1846.

No. 4.

B. Hawes, Esq.,
to Sir *J. H. Pelly*,
Bart.
14 December 1846.

I AM directed by Earl Grey to acknowledge the receipt of your letter of the 24th of October last, and to return to you the following answer to it.

Lord Grey is unable to announce to you any decision of Her Majesty's Government with regard to the colonization of the Oregon territory. His Lordship will be happy to receive, and will consider with every disposition to accede to it, any specific proposal for that purpose which may be suggested to him either by the Hudson's Bay Company or by any other person interested on the subject.

Lord Grey further directs me to state that he is prepared to assent, on Her Majesty's behalf, to your proposal, that certain lands in Vancouver's Island, or in other parts of the Oregon territory, should be granted to the Hudson's Bay Company; but before making that grant his Lordship would require the production, by the Company, of an opinion from Her Majesty's Attorney and Solicitor-general, to the effect that the acceptance by the Company of such a grant would be consistent with their charter of incorporation.

—No. 5.—

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

No. 5.

Sir *J. H. Pelly*,
Bart., to Earl Grey.
22 January 1847.

My Lord,
HUDSON'S BAY HOUSE, 22 January 1847.
MR. UNDER SECRETARY HAWES, in the letter which, by your Lordship's direction, he did me the honour to address to me on the 14th ultimo, stated that you were prepared to assent, on Her Majesty's behalf, to my proposal that certain lands