

and therefore are not lands falling to the crown. The order to sell the clergy reserve was made on October 8th, 1855; and for the Governor's reserve on May 23d, 1856.

XV. The attention of the committee was further directed, through the statements of one witness, to inquire whether a larger quantity of rock and swamp had not been allowed by the land office, to purchasers in the districts other than Victoria city, than was allowed by the regulations of the Hudson Bay Company sanctioned by the Governor in council. But after a careful examination of the matter no discovery has been made to warrant the positive conclusion that anything more than the customary allowance of rock and swamp, based on the Surveyor General's estimate, and not on survey, had been granted to purchasers. It has been well established in the evidence before the committee, that the land office made very large allowances for rock and swamp to purchasers of land, prior to 1858, in order to facilitate sales of land; and that such was not only done in a few particular instances, but was the general rule up to the time that the regulation exempting rock and swamp was revoked in 1858. (For further information and fuller details respecting rock and swamp and other incidental issues arising during the investigation of the committee, see appendix No 2.)

XVI. In the examination of Mr. Pearse respecting the sales of Crown Land it was found that three reserves had been made and were charged in pencil in the books of the Land Office to the "Fur Trade Branch reserves of the Hudson Bay Company" and for which no payment had been made. These reserves were claimed and held by the Hudson Bay Company and are respectively:

1.	Section 32 in Victoria District, containing,	723 acres.
2.	" 31 " " " "	1118 "
3.	" 18 " " City and District, "	1212 "

Total, 3053

The acreage of the sections given in the blue book is 3,084 acres.

4. Of section 32 there has been sold to J. W. McKay, or W. F. Tolmie 255 acres.

5. Of section 32 there remain 459 acres in the possession of the Hudson Bay Company.

6. Section 18, including section 6, forms the site of the City of Victoria and is nearly all sold. The Hudson Bay Company only retain the lots and blocks that appear in statements H. and M., appendix No. 1.

XVII. Inasmuch as it appeared in the Land Office books that no payment had been made for sections No 31, 32, and 18 by the Hudson Bay Company, and that no title to these sections had been granted to the Company other than that contained in the grant of the Island by the crown 1849, it became necessary to enquire into the value of those portions of these sections that had been sold, and by whom sold, and the value of the portions still remaining unsold, retained by the company and not offered to be given up to the crown. The result of that enquiry is as follows:

1.	Value of lots and block in section 18, sold by Surveyor General Pemberton up to August, 1859 (vide statement G, appendix No. 2,	\$186,817 00
2.	Value of lots and blocks in section 18, in possession of the Hudson Bay Company as per Victoria City assessment roll (vide statement H, appendix No. 1.)	268,150 00
3.	Value of lots in section 18 sold for the Hudson Bay Company by P. M. Backus, on May 3d, 1859, (vide statement I, appendix No. 1.)	29,955 00
4.	Value of lots and blocks in Spring Ridge, section 18, sold Nov.	