— No. 3. —

EXTRACT of a DESPATCH from Governor Douglas to Earl Grey; dated Victoria, Vancouver's Island, 15 April 1852.

(Received, 13 July 1852.)

"SEVERAL land sales have been effected since the Report made to your Lordship by the Hudson's Bay Company, to parties residing in this country, who are erecting buildings and bringing the soil into cultivation.

"The Puget Sound Company have commenced a large agricultural establishment west of Esquimalt, and another on a smaller scale near Victoria.

"Several houses have also been erected in town, and on the whole, much progress has been made for the small British population on the island.

"A number of horses and cattle have also been imported during the winter by the Hudson's Bay Company, and by individual settlers."