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PART II.

50

VICTORIA, 8th August, 1861.

My Lord Duke,

I have the honor to forward to you herewith correspondence and documents as described in an accompanying schedule in connection with a recent application made on behalf of this Government to the Supreme Court of Civil Justice of Vancouver Island, for an injunction to restrain the Hudson's Bay Company from further dealing with the land claimed by them under a possessory title prior to charter of grant.

2. The documents very clearly exhibit the nature of the case, but it may be desirable that I should glance at the different heads and explain the application to the local court.

3. As your Grace is aware from previous correspondence the Hudson's Bay Company claim certain sections of land in Vancouver Island amounting in the whole to about 3084 acres, as being their private property by occupation prior to the grant to them of the island under the charter of the 13th January, 1849. Her Majesty's Government reject this claim, and do not recognise any title to land in Vancouver Island other than that conveyed under the charter. The case has been referred to the Judicial Committee of the Privy Council for decision.

4. On the 27th April last the Surveyor-General addressed me a letter representing that notwithstanding the claim of the Hudson's Bay Company to the land in question was admittedly in dispute the company were still dealing with the land in all respects as if it were indisputably their private property, and not only so but that they were carrying these dealings to such an extent as to involve a breach of faith both towards former purchasers for value and the public as well as towards the Government, inasmuch as the map under which they had originally laid out and sold the town site, and which had become the official map of the town, having been accepted and registered in the Land Office, was disregarded by the company, portions of land laid off on that map as streets and public reserves, and even a portion of the government reserve upon which stand the government offices having been recently sold by private contract, and further that the company were daily disposing by private contract of the different unsold portions of the before mentioned land.

5. I forwarded the Surveyor's General's letter for the opinion of the Attorney-General. That functionary reported that if the case was as represented the necessary steps could at once be taken for putting a stop to such proceedings.

6. Upon consultation with the Attorney-General, and understanding the caution conveyed to me in your Grace's despatch No. 1, of the 2nd January, 1860, respecting

the non-recognition by Her Majesty's Government of the claim made by the company as intended to point out my course of action did circumstances require it, and considering that these circumstances did require from this Government some interference to protect the best interests of the colony, and to maintain the credit of the Government by preventing the further private alienation of land, some of which was actually required by the colony, and all of which was of exceeding value to the colony, and by protecting the public in what they understood was guaranteed to them upon the faith of the Government. The town having been laid out and the reserves made prior to the expiry of the charter of grant and when the control of all land was exercised by the company, and they were viewed by the general public as identical with the Government, I caused a letter to be written to the Attorney-General authorising him to take such proceedings as the case I put before him might seem to call for and justify.

7. The Attorney-General accordingly filed an information praying for an injunction as before stated. The information was supported by full and complete affidavits. No evidence was filed on behalf of the Hudson's Bay Company. The Court however held that it could not grant the injunction sought upon the ground that the subject matter of the suit was in litigation in another and superior Court, and that any action of the Court here might be construed into an attempt to forestal the action of the Court above.

8. I have therefore to report these circumstances to your Grace, and to forward to you all the documents therewith, in order that should your Grace think fit the same may be laid before the Judicial Committee of the Privy Council.

9. It will be perceived that by the action of this Government, no interference was attempted with any portion of the land forming the actual sites of the company's establishments at Victoria. To this it was considered that the company could probably obtain a good title upon payment of the fixed price of £1 per acre, Her Majesty's Government having declined to purchase such establishments upon the expiry of the grant. The injunction was intended only to apply to the other portions of the 3084 acres to which no such equitable and consistent claim could be advanced.

10. I trust that what has been done herein may be in accordance with the views of your Grace under the circumstances detailed, and requesting instructions as to any further steps which it may be considered advisable to take.

I have, &c.,
(Signed) JAMES DOUGLAS.

His Grace the Duke of Newcastle,
&c., &c., &c.

Schedule of Enclosures transmitted in Despatch No. 50, of 8th August, 1861, from Governor Douglas to the Duke of Newcastle.

No.

No.	Date.	Nature.
1	27th April, 1861.	Surveyor-General to Governor Douglas.
2	27th April, 1861.	Attorney-General to Colonial Secretary.
3	30th April, 1861.	Colonial Secretary to Surveyor-General.
4	2nd May, 1861.	Surveyor-General to Colonial Secretary.
5	9th May, 1861.	Colonial Secretary to Attorney-General.
6	9th May, 1861.	Colonial Surveyor to Attorney-General.
7	25th June, 1861.	Attorney-General to Colonial Secretary.
8	25th June, 1861.	Copies of Information, Affidavits, &c., Judgment certified by Chief Justice, accompanied by two Maps and three Drafts of Indenture.

VICTORIA LAND OFFICE,
April 27th, 1861.

Sir:

I beg leave to appeal to your Excellency under the following circumstances, that, pending the decision of Her Majesty's Privy Council as to the ownership of the town site of Victoria, officers of the Hudson Bay Company continue to subdivide and sell the same, and manage the entire estate for the sole benefit and without reference to public convenience, in relation to thoroughfares, size of lots, wharfage, and reserves.

I would submit that, if pending such decision, officers of either party to the suit referred to, have a right to act so rather than those of the other it must be officers of the Crown, since they claim no personal pecuniary advantages from such sales, and are therefore, it may be presumed, better qualified to administrate the estate for the public benefit.

Under these circumstances I very respectfully suggest that your Excellency will be pleased to empower me to apply to the Supreme Court here through the Attorney General, for an injunction to stop further sales of town lots in the said town site by the Hudson's Bay Company pending such decision, unless under the disinterested supervision of a Receiver appointed by the Court as usual in such cases, or should the suggestion now made not meet with your Excellency's approval that your Excellency will be pleased to say what course of action, if any, I am now in my official capacity to take in the matter.

I have, &c.,
J. D. PEMBERTON,
Surveyor General.

His Excellency JAMES DOUGLAS, Esq.,
Governor, &c.

ATTORNEY GENERAL'S OFFICE,
April 27th, 1861.

Sir:

With reference to the letter of the Surveyor General I have no hesitation in saying for the information of His Excellency that his application can be at once complied with, should the facts be as he represents, *i.e.*, If the Hudson's Bay Company and Her Majesty's Government are at issue in the Privy Council upon the title to the land of the town site itself.

I am not aware that His Excellency is officially advised of such a circumstance, and I can hardly conceive that had such a question arisen His Excellency could have been kept in ignorance of it.

Her Majesty's Government seem, so far as the despatches have apprised His Excellency, to have declined to accede to certain claims to land beyond the town site, as, for instance, Uplands Farm, but I am not aware that His Excellency has been apprised of any claim made by Her Majesty's Government to the unsold portion of the town site other than those reserved for the purposes of Government.

As the Surveyor General has recently left England he may be aware of something disclosing a new feature in the question, so it may be that information with regard thereto may not have been brought within my knowledge; should either circumstance be the case I shall be happy at once to take the necessary steps.

I have, *&c.*,
GEORGE HUNTER CARY,
Acting Attorney General.

W. A. G. YOUNG, Esq.,
Colonial Secretary, V. I.

No. 10.

COLONIAL SECRATARY'S OFFICE,
30th April, 1861.

Sir,

It appearing that the Springs which have hitherto supplied the town of Victoria with water, and which on the 6th of August, 1858, you were instructed to reserve for the use of the public, have been recently sold by the Hudson's Bay Company to a private individual, I am desired by His Excellency the Governor to call upon you to state what steps you took to carry out His Excellency's instructions as above mentioned.

I have, &c.,
(Signed) WILLIAM A. G. YOUNG.

THE SURVEYOR GENERAL.

LAND OFFICE VICTORIA,
May 1st, 1861.

Sir

I reply to your letter of the 30th ult., (No. 10), I beg to state for His Excellency's information, that on the official town map of 1858, lands offered for sale to the public were subdivided into small lots; lands not so subdivided were reserved and could not therefore have been sold by the Land Office without fresh orders from His Excellency.

That on February 23rd, 1859, the Hudson's Bay Company ignored the official town map, prepared plans, and appointed officers of their own, and sold and continue to sell what lands they thought or think proper, including portions of the public park reserve, the church reserve, the Indian reserve, the public wharf reserve, south of the fort, &c. As in most instances this is done by private sale and not by advertized public auction, no protest can reach the company until the mischief has been done; for instance, the ornamental oak trees within the town limits which I was strictly ordered by His Excellency to preserve, were cut down by the Hudson's Bay Company and sold for firewood.

The responsibility appears to me to rest with the company and not with myself, in these particulars a liability to action for damages by each lotholder were purchased on the assumption, might say the assurauce, that these privileges would be preserved intact.

Previous to February 23rd, 1859, I acted in such matter as the Colonial Surveyor for the Colony, or as the agent of the Hudson's Bay Company for the company; if the former iis the correct statement of the case the Hudson's Bay Company had, I should think, no right to enter upon and dispose of lands, their title to which is contested; if the latter statement is admitted, are the company not legally bound by the arrangements made by me as their agent previous to February, 1859, when the company discharged me from the management under His Excellency's directions of the town site of Victoria?

I have, etc.,
J. D. PEMBERTON.

W. A. G. YOUNG, Esq.,
Colonial Secretary.
&c., &c., &c.

LAND OFFICE, VICTORIA,
May 9th, 1861.

GEORGE HUNTER CARY, Esq.,
Attorney-General,
Vancouver Island Colony.

Sir,

Shortly after my arrival here from England it became my duty to address a letter, dated April 27th, to His Excellency the Governor, and on the 1st May a second

letter to the Colonial Secretary, in which I represented that the Hudson's Bay Company had in February, 1858, taken possession of the town site of Victoria and other lands to which, by the colonial registers, the company have, as merchants, no title.

That the company since that period have continued to sell such portions of these lands as they think proper, and to retain the proceeds, setting aside and ignoring arrangements made previous to February, 1858, by themselves or by the Executive in relation to thoroughfares, size of lots, wharfage, and public reserves, and by so doing break faith with the Public and the Government.

That these sales, when most objectionable, are usually conducted with such privacy that no expostulations can reach the company until too late to apply a remedy.

And lastly, I applied to His Excellency for leave to apprize the Attorney-general of these circumstances in order to ascertain whether or not legal proceedings are advisable to restrain the company from further mismanagement of the estates in question and their title to the same shall have been established by the decision of a court of law.

The leave alluded to having been granted, I am further instructed to lay before you some exact instances in confirmation of the assertions contained in the letters to your Excellency to which I have already referred.

I shall therefore select one or two such instances for your information.

First.—On the 6th May, being ordered to do so, I commenced to fence the 10-acre Government reserve, on which the Colonial Public offices are built, and was immediately interrupted by Mr. Leopold Lowenberg, to whom the company have recently sold a portion (2½ acres on the south side) of the Reserve.

Secondly.—The company have recently sold a portion of the Public Park (3½ acres on the west side,) to Mr. John Morris, and his fences or buildings are in part constructed upon the same. The company have also disposed of other portions of the Public Park.

Thirdly.—The company have contracted the width of several thoroughfares in their continuation.

Fourthly.—The ornamental oak trees in the town have been cut down by the company and sold for firewood—a proceeding which occasioned the utmost public indignation at the time.

Fifthly.—In parts of the town the company have departed altogether from the subdivision of lots and arrangement of streets exhibited on the official plans to purchasers previous to 1858.

To avoid multiplying instances it now remains for the Executive, acting under your legal advice, to decide whether or not, under the circumstances, it is advisable to take measures in the local courts to restrain the company from further dealing, in their private capacity, with lands, their title to which remains to be established.

I have, &c.,

(Signed) J. D. PEMBERTON.

COLONIAL SECRETARY'S OFFICE,

9th May, 1861.

Sir,

I duly received and laid before His Excellency the Governor your letter of the 27th ultimo in reply to the case submitted to you as described in a letter from the Colonial Surveyor-General dated the 27th April, 1861, respecting the right of the Hudson's Bay Company to continue to subdivide, sell, and deal with lands in Vancouver's Island claimed by them not under the charter of grant of the whole island to the company, but under a title anterior to the charter of grant.

2. You state that if the case be as represented by the Colonial Surveyor-General, viz., that the title to such lands is disputed by Her Majesty's Government and that the

matter has been referred to the Judicial Committee of the Privy Council for settlement there can be no difficulty in carrying out the wishes of the Surveyor-General by obtaining an injunction to stop further sales, but you remark that you are not aware that the "land of the town site itself" is included in the disputed title.

3. It is perhaps unnecessary to encumber this communication with a detail of the circumstances and correspondence connected with the claim advanced by the Hudson's Bay Company to certain lands which are not disposed of by the charter of grant; it will perhaps suffice to shew that such a claim does exist on the part of the company, that no *distinction* whatever is made in the lands included in that claim, and that such claim to title is not admitted by Her Majesty's Government, and will be settled by reference to the Judicial Committee of the Privy Council.

4. I forward herewith a dispatch dated 2nd January, 1860, from His Grace the Duke of Newcastle to His Excellency Governor Douglas with the accompanying enclosures, containing correspondence between the Governor of the Hudson's Bay Company and the Secretary of State. These documents will shew the nature of the claim advanced by the company and the non-recognition of the claim upon the part of Her Majesty's Government.

5. I enclose a copy of a certified copy filed in the Land Office at Victoria of a resolution dated 26th September, 1853, and of an order dated 30th January, 1854, recorded in the minutes of the Committee of the Hudson's Bay Company, whereby the "Registrar of Land Deeds in Vancouver Island is directed to enter in the register in the name of the Governor and Company of Adventurers trading into Hudson's Bay" the lands amounting to 3084 acres situated in the Victoria District, which was occupied by the company prior to the Oregon Treaty of 1846. In the order the different lots of land are detailed, and it will be seen that no distinction whatever is made, but that all the land so claimed is precisely in the same category. A map exhibiting the situation of the land is also enclosed for your information.

6. The accompanying despatch from Mr. C. Fortescue, in the absence of the Secretary of State, dated 24th August, 1860, No. 32, will shew that the question of the company's title to certain lands in Vancouver Island as their private property anterior to the grant to them of the island will be settled by a reference to the Judicial Committee of the Privy Council.

7. And as having some bearing upon the question now submitted to you I also transmit a letter from the Governor of the Hudson's Bay Company, dated 29th June, 1860, authorising Governor Douglas to dispose of such land in Vancouver's Island as has not been already disposed of by the company, or as is not claimed by them as having been their property prior to the grant of the island from the Crown.

A despatch from the Secretary of State, dated 28th June, 1860, No. 26, in which the foregoing authority is adverted to and the present state of the relations between Her Majesty's Government and the Hudson's Bay Company in respect to the island described.

A despatch marked "confidential" and dated 21st February, 1860, enclosing an opinion of the law officers of the Crown as to with whom would rest the right of disposing of the proceeds of public land when the rights of the Hudson's Bay Company have ceased.

8. The papers now laid before you will enable you to judge of the expediency and propriety of taking the steps suggested by the Surveyor-General in his letter of the 27th April, I am desired especially to call your attention to the Duke of Newcastle's despatch of the 2nd January, 1860, wherein His Excellency is instructed to observe strictly the caution expressed in a letter addressed to the Governor of the Hudson's Bay Company, to the effect that Her Majesty's Government decline acknowledging the claim put forth by the Hudson's Bay Company, and that in order to prevent future misapprehenson it would be necessary so to inform the Governor "with a view to his guidance."

The fact that the Company were every day disposing, to the great detriment and

loss of the colony, of the unsold portions of the land claimed by them as private property could scarcely be known to the Secretary of State, but as it is known to His Excellency the Governor it would seem that he was not only authorised but was required to act as the Surveyor-General now submits.

9. Under the circumstances I am desired by His Excellency to request you to take the steps requested by the Surveyor-General, provided that such steps would in no way compromise Her Majesty's Government and that they be necessary, proper, and expedient.

I have, &c.,
(Signed) WILLIAM A. G. YOUNG.

To the Attorney-General.

Case for opinion of Counsel.

In August, 1858, the Governor, as Governor of the Colony of Vancouver's Island, upon the requisition of the House of Assembly, instructed the Surveyor General to reserve the water springs and adjoining land, and the well which formerly supplied the town of Victoria with water for the use of the public.

The Surveyor General received these instructions, aud in consequence did not sell or expose for sale the Springs and land in question.

But it does not appear that the Surveyor General marked off such Springs and land on the official map.

In February, 1859, the Hudson's Bay Company undertook the control of certain lands in Vancouver's Island, claimed by them as private property under a title anterior and irrespective of the charter of grant. Within this claim is included the portion of land herein referred to. With respect to lands so claimed by the Hudson's Bay Company the company contests the right of the Government in any way to deal, and they publicly assert and contend that they have the whole and sole right of control over all and every portion of such land.

The validity of the title aserted by the company is now undergoing investigation by the Judicial Committee of the Privy Council. The question involves many intricate points as between Her Majesty's Government and the company.

Recently the company have sold to a private individual or individuals the aforementioned Springs, together with the land adjoining thereto, thus asserting a private right of ownership a d rejecting any right on behalf of the public.

Have the Government any case whereby they could prevent private individuals from dealing with the Springs and land so alienated by the Hudson's Bay Company.

(Signed) W. A. G. YOUNG.

Colonial Secretary's Office,
Victoria, 11th May, 1861.

ATTORNEY GENERAL'S OFFICE,
May 14th, 1861.

Sir:

I have perused the statement prepared for the opinion of Counsel returned herewith, and would suggest the following additions:

The attention of Counsel is directed to the Charter of Grant from he Government

to the Hudson's Bay Company sent herewith, and more especially to the clause as follows:

"And shall dispose of the land there as may be necessary for the purposes of colonization, and to the intent that the said company shall, with a view to the aforesaid purposes, dispose of all lands hereby granted to them, at a reasonable price, except so much thereof as may be required for public purposes."

Sir John H. Pelley, upon the occasion when the Hudson's Bay property was surveyed off for the fur trade purposes, wrote to Earl Grey on the 14th January, 1852:

"Any part of the allotments may be taken for Government purposes at the cost price, but it would be convenient that the wishes of the Government should be intimated, that costly improvements may not be made, nor buildings erected on such portions."

Amongst these allotments was the section containing the springs.

Although the springs were not marked on the map or the ground as reserved, they were always looked upon as having been so dealt with by the surveyor-general down to the year 1858.

All other land reserved and described as such and a note of the reservation transmitted to the Hudson's Bay House by the colonial surveyor who acted as such colonial surveyor under the Hudson's Bay Company as the governing body of the Island under the Charter of Grant. The colonial surveyor mentioned the reservation to the then acting attornies of the Hudson Bay Company; viz.: Mr. Douglas and Mr. Work.

The Hudson Bay Company, in the year 1852, were addressed by Earl Grey as follows:

"If the company have reserved land for any but public purposes your are no doubt aware that they are bound to credit the Colony with a price of such land equal to what they would charge private purchasers."

In reply thereto the letter of the 14th January, 1852, was sent by Sir John Pelley, and a passage was therein contained as follows:

"By the last mail Mr. Pemberton, the Colony surveyor, has sent home surveys of the lands which the Fur trade of the Hudson's Bay Company propose to take, but has omitted to distinguish that which they possessed previous to the Boundary Treaty from the whole quantity. The former will be made over to them without purchase, and for any addition thereto they will have to pay 20*s.* an acre as all other settlers do."

The company have paid nothing for the land in which the springs are situate, relying on their right by anterior possession.

For the purposes of this question Counesl may assume that the contest of the company as to the land claimed by them previous to the Treaty is untenable; and two very serious questions arise, viz.: Can the Government, after the determination of the Charter, resume any land required for government purposes, from the Hudson's Bay Company, such land having been acquired by the company in their private capacity?

Assuming the title by previous occupation to be invalid, are the Hudson Bay Company entitled to the land at all,—or is it the position of the company merely that the company must pay for it?

Assuming the first question to be answered negatively, and assuming that the right of the Government is only to payment for the land, Counsel is then requested to advise whether there has been a sufficiently valid reserve of the springs under the Charter.

I have, &c.,
G. H. CARY.

The Colonial Secretary.

Opinion.

We think that after the 13th of May, 1859, the power of the Government to reserve land for public purposes is the same as it was before that day, but that any land

bona fide reserved by the company, and for the purchase-money of which they have duly accredited the Colony, is held by them for valuable consideration, might hold it.

We think the company also are bound to credit the Colony with a price for land reserved by them for any but public purposes fully equal to what they would charge private purchasers for the time being.

According to the views we take of the first question it becomes unnecessary to consider the last, but we may state that in our opinion (notwithstanding the reserve of the springs is omitted from the official map,) there is still ample evidence that it was effectually made on behalf of the Government.

Government Street,
18th May, 1861.

(Signed) { HENRY P. PELLEW CREASE.
J. F. McCREIGHT.

ATTORNEY GENERAL'S OFFICE,
June 25th, 1861.

Sir :

I have the honor to report for the information of His Excellency that upon the receipt of your letter of the 9th May, 1861, and after a careful perusal of the documents therewith enclosed, I arrived at a decided opinion that an effort should be made to stop the highly improper action taken by the Hudson Bay Company. I accordingly prepared an *ex officio* information at the relation of Mr. Pemberton, in which I sought as a preliminary step to obtain an injunction to restrain the company from settling any portion of the 3084 acres claimed by them under the alleged possessory title.

The information was supported by affidavits made by the Surveyor General, the Acting Colonial Secretary, and two gentlemen in the land office.

The case made by the information charged the company with selling portions of the public reserves to private purchasers, and the evidence palpably disclosed that the sales in question were made by the company deliberately and whilst fully informed of the character of the land sold.

The evidence further disclosed conduct on the part of the company which amounts to a deliberate breach of faith with the public..

The acts of the company appeared also to have been committed under color of the legal estate with which they are still clothed by the charter of grant of the Island. No evidence was adduced on behalf of the company, who by their counsel, denied the validity of the reserves against them.

The Chief Justice decided that he would not grant the injunction.

I have registered a lis pendens against the unsold portion of the 3084 acres.

I fear that the evil which will result from this failure is almost irremediable. The company will continue their sales and the purchasers will either be members of their own body with whom they have a private understanding, "that the company as vendors are to incur no liability."

The result of this will be a series of sales (forced on with rapidity caused anticipated interference by the Home authorities) at altogether inadequate prices, and should Her Majesty's Government succeed in their contest before the Privy Council the number of purchasers will be such that it will be a matter of grave doubt whether such sales can with safety be interfered with, whilst from the peculiar character of the population and the tribunals of Justice it will be next to impossible to obtain redress from the company.

The property is highly valuable and would produce a very large sum if judiciously placed in the market.

Had I conceived the possibility of such a decision I should have felt it my duty rather to have requested His Excellency to inform Her Majesty's Ministers of the facts than to have acted myself out here, but after the fraudulent sales of the public reserves I felt that my action, based upon them, could not in any way embarrass the steps taken by the Law Officers at home, and would be eminently beneficial to the interests of Her Majesty's Government and the public here if successful.

I propose to continue the suit in the local court so far as the fraudulent sales are concerned.

From the peculiar views held by the Chief Justice I believe that any fresh application (no matter on what merits) would meet with the same result.

I have to request that His Excellency will lay the pleadings and evidence already furnished you from the Registrar's Office and this communication before her Majesty's Principal Secretary of State for the Colonies, and have also to request that His Excellency will also request that the whole matter may be laid before the Law Officers of the Crown conducting the questions referred to in the Judicial Committee of the Privy Council, in order that they may be enabled to express an opinion as to my future action in the local court, which may prevent the possibility of any embarrassment to their proceedings.

I have also to request His Excellency to apply for a copy of the proceedings before the Judicial Committee for my guidance.

I have, &c.,

(Signed) GEORGE HUNTER CARY,

Acting Attorney General.

Acting Colonial Secretary.

Vancouver Island.

VANCOUVER ISLAND. No. 79.

DOWNING STREET,

4th December, 1861.

Sir,

I have the honor to acknowledge the receipt of your despatch No. 50 of the 8th August, acquainting me that the Supreme Court of Vancouver Island had refused to grant an injunction for which application had been made on behalf of your Government to restrain the Hudson's Bay Company from disposing of the 3084 acres of land claimed by them at Victoria, and applying for directions as to any further steps which it might be advisable to take in the matter.

I enclose for your information a copy of a letter which I have received on this subject from the Governor of the Hudson's Bay Company, together with the copy of one which I have caused to be addressed to him in answer. The correspondence in May last which Mr. Berens quotes was transmitted to you in my despatch No.61, of the 13th of June last. From the present letters you will perceive that the instructions sent at that time by the company to their agent in the colony were not confined as had been supposed to the water frontages then more immediately under discussion, but were intended to apply to the whole of the 3084 acres of which those frontages form a part, and that in acknowledging the instructions on the 14th of July last the agent accordingly expressed his intention to refrain from selling any further portions of the 3084 acres of land.

You will probably have ascertained since the date of your despatch the nature of the instructions, which I have no doubt will have had the effect of stopping any further sales of the land on the part of the company's representatives in Vancouver Island.

I have, &c.

(Signed) NEWCASTLE.

GOVERNOR DOUGLAS, C.B.,
&c., &c., &c.

HUDSON'S BAY HOUSE,
November 8th, 1861.

My Lord Duke :

I have the honor to acknowledge the receipt of a letter addressed to me by Mr. Elliot, under date the 5th instant, inclosing a copy of a despatch from the Governor of Vancouver's Island and a report of the proceedings which took place before the Supreme Court of the Colony, upon an application made on behalf of the local Government for an injunction to restrain the Hudson's Bay Company from selling portion of the 3084 acres of land claimed by them under a possessory title prior to the Crown grant of the Island to the company.

Mr. Elliot, after remarking that the injunction was refused on the ground that the subject matter of the suit in litigation was before the Judicial Committee of the Privy Council whose decision will ultimately dispose of the question, adds, that as some time must elapse before the decision can be obtained, and as there are evils pointed out in the Governor's letter which demand a more prompt remedy, your Grace is desirous to know whether the Company will at once send out instructions to their officers to desist from any further dealings with the lands in dispute until the question of title be settled.

In reply I beg to inform your Grace that we have already issued directions to the company's officers in Vancouver Island to suspend the sales of those lands. On the 23rd May last, Sir Frederic Rogers in allusion to a water frontage which was to have been sold but which Governor Douglas claimed as a public landing place, addressed me a letter of which the following is an extract: "I am directed by the Duke of Newcastle to inform you unless you can assure His Grace that instructions will be sent to the agent of the company by the most rapid opportunity to suspend the sales of the land in question, the Governor will be instructed to issue a notice in the Colony that Her Majesty's Goverment deny the right of the company to sell those lands." On the following day the 24th May, I replied, "I hasten to inform your Grace that in compliance with the suggestion thrown out in Sir Frederic Rogers' letter, I have directed that specific instructions shall be sent by this day's post to the agent of this company at Victoria to suspend the sales of the land in question, as referred to in the correspondence between Governor Douglas and Mr. Dallas."

On the 25th May, a copy of the correspondence was transmitted to Mr. Mactavish, now the company's principal agent at Victoria, with distinct instructions to suspend the sale of the company's lands till the questions between Her Majesty's Government and the company were decided. And in acknowledging the receipt of that letter under date the 14th July, Mr. Mactavish says: In accordance with your instructions we shall sell no portion of the 3084 acres of land on this Island until further instructions.

Your Grace will thus observe that as far as the company is concerned the most distinct instructions were given for the carrying out of your Grace's wishes in the matter. And I have no reason to believe that those instructions have been departed from by our officers, inasmuch as we have no knowledge of any sales of land having taken place subsequent to that period. In order, however, to satisfy your Grace, a copy of the present correspondence will be transmitted by the first post, and attention will be again drawn to the instructions already given.

There are several other points alluded to by Mr. Elliot, on which I would request your Grace to suspend your judgment until the arrival of Mr. Dallas, who is shortly expected from Edinburgh, and was the company's principal representative at Victoria at the period of the transactions in question. I allude particularly to the alleged sale by the company of the park reserve for the public at Victoria, of the Springs which supply

the Colonists with water, and of the ornamental trees in the neighborhood of the town, the real nature of which transactions Mr. Dallas will, I believe, be able to explain to the satisfaction of your Grace. Mr. Dallas is expected to arrive here about the end of next week, and as soon after as possible I shall have the honor ot addressing your Grace on this subject, as well as upon the proposal as to the assent of the Governor being given in writing previous to the sale of any particular portion of the land in question.

I have, &c.,

(Signed) H. H. BERENS,

Governor.

His Grace the Duke of Newcastle.

Downing Street, 4th December, 1861.

Sir,

I am directed by the Duke of Newcastle to acknowledge the receipt of your letter of the 8th of November respecting the suspension of the sale of portions of the 3084 acres of land in Vancouver Island claimed by the Hudson's Bay Company under a title proper to the grant of the island.

His Grace regrets that the nature of the instructions which were given to your agent in the colony in the month of May last should not have been correctly understood in this department.

The letter from this office of the 23rd of May last, quoted by you, had reference to the water frontages of the town of Victoria, and from the terms of your letter of the 24th May it was supposed that the instructions then given to your agents applied to those water frontages only and not to the whole 3084 acres of which they form part, a supposition which was confirmed by the receipt of the further application contained in Governor Douglas' despatch of the 8th August.

From the explanation however afforded by your present letter the Duke of Newcastle is glad to learn that the instructions already given by the company will have had the effect of putting a stop to any further sales of this disputed land and preventing the recurrence of questions respecting it until the decision of the Judicial Committee of the Privy Council shall be received.

I am to add that His Grace will be happy to receive from Mr. Dallas the explanations which it is in his power to afford respecting the sale of the public reserves and the springs which supply the town of Victoria with water.

I am, etc.

(Signed) C. FORTESCUE.

H. H. Berens, Esq.,
&c., &c., &c.

No. 10.
EXECUTIVE.

VICTORIA, 27th February, 1862.

My Lord Duke,

I have had the honor to receive your Grace's despatch No. 79, of the 4th December last conveying for my information copy of a correspondence with the Hudson's Bay Company arising out of the application made by this Government to the Supreme Court of the colony for an injunction to restrain the company from further independent action in the disposal by Her Majesty's Government, and from the sale of portions of the park, church reserve, public streets, &c.

2. I observe that the instructions given in May last to the company's agent in Vancouver Island were not confined to a certain portion of the water frontage as I had previously supposed from the perusal of Mr. Berens letter of the 24th May addressed to your Grace, but were intended to apply to whole of the 3084 acres claimed by the company under a title anterior to and irrespective of the charter of grant.

3. While those instructions are in one respect perfectly satisfactory as evincing the desire of the Hudson's Bay Company voluntarily to put a stop to acts complained of by this Government, they nevertheless have the practical effect of retarding the progress and settlement of the colony, and if accepted of relieving the Hudson's Bay Company from the onus thereof, inasmuch as most of the land still in the hands of the company is capable of being immediately utilized, and would find ready purchasers if offered for sale at public auction, some indeed is in the best business portion of the town, and just now is eagerly sought after.

4. The present is a critical period for this colony. Every steamer brings intelligence confirmatory of the expectation that a large emigration will flow from California during the spring. Indeed business men from that state are already flocking hither to form establishments, and land is consequently much in demand.

5. Some time I presume must yet elapse before the decision of the Judicial Committee of the Privy Council can be obtained as to the ownership of the disputed 3084 acres. Appeal to the Supreme Court of the colony is precluded, that court having already refused to interfere on the ground that the case for dispute is at present before a superior court. In the meantime it is highly desirable and necessary to prevent as far as possible injury to the progress of the colony. I would therefore earnestly beg your Grace to obtain from the Hudson's Bay Company an arrangement whereby land may be disposed of with the concurrence in each individual case of the Local Government, the proceeds either being deposited in the Bank of British North America or placed in charge of a receiver to await the decision as to ownership already sought from the Privy Council.

I have, &c.,

(Signed) JAMES DOUGLAS.

HIS GRACE THE DUKE OF NEWCASTLE,

&c., &c., &c.

VANCOUVER ISLAND.
No. 98.

DOWNING STREET,

8th May, 1862.

Sir,

I have the honor to acknowledge the receipt of your despatch No. 10 of the 27th February last, suggesting that some arrangement should be made with the Hudson's

Bay Company for the sale of the land in Vancouver Island claimed by them on the ground of occupation prior to 1849.

All questions regarding this land have been set at rest by the Agreement concluded with the company, a copy of which was communicated to you in my despatch No. 84, of the 24th January last. That Agreement will have put it in the power of the Governor to dispose of all land in the town of Victoria not previously disposed of to others, with the exception of some small reservations to the company, and will therefore have met the object proposed in your present despatch.

I have, &c.,

(Signed) NEWCASTLE.

Governor Douglas, C.B.,
&c., &c., &c.

VANCOUVER ISLAND,
No. 84.

DOWNING STREET,
24th January, 1862.

Sir:

I have the honor to acquaint you that the questions which have been so long under discussion between Her Majesty's Government and the Hudson's Bay Company respecting the company's claims to land in Vancouver Island, under a title anterior to the grant of the Island, have been brought to a close.

It had been determined, as you are aware, to submit those claims to the Judicial Committee of the Privy Council, and the preliminary steps had been taken for that purpose. But a long time must necessarily have elapsed before the decision of the Council could have been obtained, a protracted and expensive investigation must have been undertaken, and a delay incurred which could not fail to create a serious impediment to the progress of the Colony.

Under these circumstances I readily agreed to a proposal from the Hudson's Bay Company that an attempt should be made to settle the matter by arbitration. Mr. Dallas and Mr. Maynard on the part of the company, and Mr. Murdoch and Mr. Walcott on behalf of Her Majesty's Government, were accordingly appointed to confer upon the subject, and after due consultation agreed to a memorandum of agreement, the terms of which have subsequently been incorporated in the agreement of which a copy is annexed to this despatch.

The company having signified to me their acceptance of these terms, I felt no hesitation in likewise acceding to the arrangement. The concessions thus made by the company appear to me to be as great as can be demanded from them; and moreover the speedy settlement of these questions of title which, by keeping the Public mind in suspense, retard the progress of the Colony, must be of far more value to the community than the issue, however favorable to the Government, of a tedious and expensive litigation.

It only remains for me to instruct you to carry the present arrangement into effect, and to authorize you with this view to prepare under the directions of the Colonial attorney-general for execution by the company the necessary Deeds of reconveyance of the portions of land to be surrendered to the Crown.

I have, &c.,

(Signed) NEWCASTLE.

Governor Douglas, C.B.,
&c., &c., &c.

THIS INDENTURE made this Third day of February, One Thousand Eight Hundred and Sixty-two, BETWEEN HER MOST GRACIOUS MAJESTY QUEEN VICTORIA of the one part, and THE GOVERNOR AND COMPANY OF ADVENTURERS OF ENGLAND trading into Hudson's Bay, hereinafter called "The Company," of the other part.

WHEREAS previous to January, One Thousand Eight Hundred and Forty-nine the company had occupied certain portions of land in Victoria district, in Vancouver's Island, for the purposes of carrying on their trading operations under their royal charter, dated the Second day of May in the Twenty-second year of the reign of His late Majesty Charles the Second;

AND WHEREAS by letters patent, dated the 13th day of January, One Thousand Eight Hundred and Forty-nine, Her said Majesty Queen Victoria was pleased to grant unto the said company and their successors the said Vancouver's Island, upon the condition and for the purposes of colonizing the same, as therein mentioned. Reserving nevertheless to Her said Majesty Queen Victoria, her heirs and successors, full power to repurchase and take from the said company subject to the provisions therein contained, the said Island upon the expiration of a certain license granted to the said company for the exclusive privilege of trading with the Indians, which license has since come to an end;

And Whereas certain questions have arisen between the Crown and the colony respecting the right of the said company to deal with or hold as their private property the portions of land in the said island so occupied by them as aforesaid before the date of the said royal grant of January, One Thousand Eight Hundred and Forty-nine;

And Whereas, in order to settle and put an end to all such questions, the said parties hereto have mutually agreed to accept as conclusive the arrangements by way of compromise hereinafter contained;

Now this Indenture witnesseth, and it is hereby mutually agreed between the said parties hereto, as follows:

1. That all sales made by the said company previous to the First day of January, One Thousand Eight Hundred and Sixty-two, of any portions of the land so occupied by them in the Victoria district as aforesaid before the Thirteenth day of January, One Thousand Eight Hundred and Forty-nine, including water frontages and the spaces between high and low water mark abutting on such portions of land, shall be valid and effectual as against Her Majesty, her heirs and successors.

2. That the company shall retain for their own use and benefit the proceeds and purchase monies of all lands so sold by them as aforesaid.

3. That the said company shall without purchase retain and hold to them and their successors for their own use and benefit the following farm lands and hereditaments situate in the said Victoria district, in the said Island, that is to say: the farm known as the Uplands Farm, being reserve, marked No. 2, lot 31, and section 31, on the official plan of the said Victoria district, and containing about one thousand one hundred and forty-four acres; the farm known as the North Dairy Farm, being reserve, marked No. 3, lot 32, and section 32 on the said plan, and containing about seven hundred and twenty-four acres, the old spring and adjoining land, except one well set apart for the public use, as marked in the company's plan, and lastly the portion of land in the said district known as the Fort Property, including the site of the Fort and the adjoining ground yet unsold, with the water frontage and foreshore immediately in front of the Fort and now being in the possession of the said company, save and except therefrom the unsold portion of the water frontage reserved for the use of the Harbor Master, being lot in the said last mentioned plan, and situated at the foot of Fort street, in the town of Victoria, and measuring about fifty feet in width, and save also and except the site of the police barrack and yard and the site and building (No. on the said plan) now occupied as a post office.

4. That the said last mentioned excepted site and water frontage reserved for the Harbor Master, and also the site of the Police Barrack and yard and the building and site occupied as a post office, shall be forthwith conveyed and surrendered by the said company unto and to the use of Her Majesty, her heirs and successors, provided always: that if the Post Office or any part thereof shall be found to stand on a portion of two lots, as marked in the said official plan, the whole of both lots shall be conveyed and surrendered to Her said Majesty, her heirs and successors.

5. That the whole of the remaining unsold lands in the said Victoria district lying to the south and west of James Bay, including the site of the New Government Buildings as far as the old fence in the rear thereof dividing it from a farm known as Bexley, Beckney, or Dutnell's Farm, shall be forthwith conveyed and surrendered by the company unto and to the use of Her Majesty, her heirs and successors, save and except the site of the farm buildings and garden of the said Beckney or Dutnell's Farm, which with so much of the enclosed or immediately adjoining unsold land to the south thereof as will with the sites of the said buildings and garden amount in the whole to an area not exceeding fifty acres exclusive of roads shall be retained and held without purchase by the said company and their successors, provided nevertheless: that the selection of such last mentioned land shall within eighteen calendar months from the date hereof be arranged and concluded between the Governor of the colony on the one hand and the company's representative there on the other, in such manner that the fifty acres to be selected shall not interfere with the existing plans for laying out the locality or with the roads and streets already laid down or to be laid down.

6. That there shall also be forthwith conveyed and surrendered by the said company to Her Majesty, her heirs and successors and assigns, reserves for the public park, the school, church and burying ground, containing in all about two hundred acres, except such portions thereof as may have been already sold, which are to remain as regards the crown in the undisturbed possession of the purchasers thereof. In witness whereof we, Thomas William Clinton Murdoch and Stephen Walcott, Her Majesty's Emigration Commissioners, have hereunto set our hands and seals for and on behalf of Her Majesty, and the said Governor and Company of Adventurers of England, trading into Hudson's Bay, have caused their corporate seal to be hereunto affixed the day and year first above written.

Signed, sealed and delivered by the above named Thomas William Clinton Murdoch and Stephen Walcott, in the presence of

(Signed) T. W. C. MURDOCH. (L.S.)

(Signed) S. WALCOTT. (L.S.)

(Signed) CHRIS. T. CARTWRIGHT,
8, Park street, Westminster.

The corporate seal of the abovenamed company was hereunto affixed in the presence of—

(Signed) W. G. SMITH,
Hudson Bay House, London.

By order of the Governor, Deputy-Governor, and Committee of the said Company—

(Signed) THOMAS FRASER,
Secretary.

Governor Douglas to the Duke of Newcastle.

NO. 39.

VICTORIA, 30th July, 1862.

My Lord Duke,

I have the honor to acknowledge receipt of your despatch No. 95, of the 30th April, acquainting me that the project of sending a regiment to Vancouver Island has, for the present, been dropped; but desiring that a fit site for the future erection of barracks for any of Her Majesty's troops who may be stationed in the Colony should be reserved; and mentioning in reference hereto your Grace's confident expectation that I shall be able, with Colonel Moody's assistance, to select a fitting spot on the "large extent" of lands recovered to the Crown under the recent agreement with the Hudson's Bay Company.

2. I sincerely trust that it may be within my power to fulfil your Grace's expectations in this respect, but at the present moment I must confess I have great doubts upon the subject. From the time of the receipt of your Grace's despatch of the 24th January, 1862, No. 84, viz. :—the 28th of March, until now, I have in vain endeavoured to ascertain from the Hudson's Bay Company the extent and position of the land that is to be surrendered to the Crown.

The agreement before mentioned provides for the retention by the Company of 50 acres, without purchase, of land to the south of James' Bay, and for the surrender of the whole of the remaining portion of the unsold lands. A reference to the assessment-roll of 1861 shows the unsold land then possessed by the Hudson's Bay Company to the south of James' Bay to amount to exactly 50 acres. It probably is much less than that now; consequently, instead of a large extent of land being recovered to the Crown under that agreement as is the impression entertained by your Grace, I fear it will be found that by it the Crown does not take benefit of one single acre, and not only so, but from the absence of any plans or maps being attached to the agreement and from its very skilful wording, owing no doubt to none of the parties to it, save Mr. Dallas only, having any local knowledge of the lands treated of. The Hudson's Bay Company, so far from making any concessions to the Government which the agreement would lead any one to infer, have actually obtained from the Crown almost the whole of the very small portion of ground, not covered by buildings, actually now and for years past in the possession of the Government and to which the company had no sound claim, as I think has been very clearly shown in the correspondence which I have had the honor upon former occasions to address to your Grace upon the subject.

I have, &c.,

(Signed) JAMES DOUGLAS.

The Duke of Newcastle to Governor Douglas.

DOWNING STREET,
15th November, 1862.

NO. 121.

Sir:

I have the honor to inform you that on the receipt of your despatch No. 39, of the 30th of July, respecting the lands to be surrendered to the Crown by the Hudson's Bay Company under the agreement of the 3rd February, 1862, I communicated that document to the company in order to give them an opportunity of offering any observations which they might wish to make on the subject.

I transmit to you for your information a copy of the answer which has been received from the governor of the company [3rd November, 1862].

In this letter Mr. Berens takes no notice of the error into which you intimated your opinion that Mr. Dallas had led the Government of this country on the extent of land which the Crown would recover by the agreement relative to lands in the city of Victoria.

Mr. Berens will be requested to furnish this department with copies of the plans to which he alludes in order to afford an opportunity of further elucidating this subject.

But his present letter discusses a different question that has arisen in the Island between the local Government and the company's Agent, viz:—the site to be surrendered for a harbour-master's office. Into this question, since it is a new one, I shall decline to enter until I can receive upon it a report from you, which I have to request accordingly that you will furnish at an early opportunity.

Mr. Berens, you will perceive, suggests that the reconveyance of the whole Island and of the land in Victoria should be comprised in a single Instrument, and that with a view to its preparation and execution in this country you should furnish a plan of the Island showing the portions of it to be exempted from the reconveyance. He states that corresponding instructions have been sent by the company to their Agents. I see no objection to the proposed course provided that it be not converted into a cause of delay, but in order to prevent the difficulty which would arise from discrepancies between the maps sent home to Her Majesty's Government and to the company, it will be desirable that their officers should communicate with each other on the spot and agree on the exact extent of the reservations to be made and the manner in which they should be described in the reconveyance.

I have, &c.,

(Signed) NEWCASTLE.

Mr. Berens to the Duke of Newcastle.

HUDSON'S BAY HOUSE, LONDON,
3rd November, 1862.

My Lord Duke:

I have the honor to acknowledge the receipt of Mr. Under-Secretary Elliott's letter of the 18th ultimo, accompanied by a copy of a despatch received by your Grace from the Governor of Vancouver Island, under date of the 30th July last, having reference to arrangement entered into between this company and Her Majesty for settling the claims of the company to certain lands in Vancouver Island.

I beg to assure your Grace that this company has been most desirous to carry out the terms of that arrangement, and immediately after those terms had been settled instructions were forwarded to the company's representative at Victoria to take the necessary steps for the fulfilment of the agreement. and they have every reason to believe that the company's officers at Victoria have not used their best endeavors to give effect to these instructions, but there appears to have been a want of assistance in making the necessary surveys and plans of the property.

From the correspondence which has passed between the company's agent and the Colonial Secretary at Victoria, I have every reason to hope that the matters unsettled between them are not of any material importance, but positive instructions shall at once be forwarded to arrange the selection of the fifty acres reserved to the company.

It appears that under date of 15th July, 1862, Mr. W. A. Young forwarded to the company's agent sketched maps of the property he proposed to have conveyed to the Crown, which consisted of

1. Ground for the site of a Harbor Master's Office and entrance to a Public Wharf.
2. Barracks and Post Office Lot.
3. School Reserve, Church Reserve, and Cemetery, Parsonage, and Public Park.
4. Government Reserve across James Bay.

I have the honor to transmit herewith to your Grace, in case you should not already have been furnished with them copy of the answer returned by the company's agent to this communication from the Colonial Secretary, and of the reply of the latter.

From these communications your Grace will observe that the matter which was more immediately the subject of the Governor's complaint has reference to the site for the harbor master's office, the company's representatives having proposed to allot the required water frontage at the end of a street called Broughton street instead of as provided by the agreement at the foot of Fort street.

It appears from the communications received from the company's agent that the frontage at the foot of Fort street has been long since covered with buildings occupied by the company for the purposes of their trade, and it seems clear therefore that when the arrangement was come to through the medium of Mr. Dallas then in this country, he never could have intended to have appropriated for the use of the harbor master ground already covered with buildings and in actual use, and on reference to the deed of arrangement your Grace will observe that the reservation is "save and except therefrom the unsold portion of the water frontage reserved for the use of the harbor master, being lot in the said last mentioned plan, and situate at the foot of Fort street in the town of Victoria, and measuring about fifty feet in width."

It is clear therefore that this exception had reference to a frontage understood to be then reserved for the use of the harbor master, but not distinguished upon the plan by any number, but which Mr. Dallas from recollection supposed to be at the foot of Fort street.

I have the honor to send herewith a small plan shewing the position of Fort street and Broughton street, from which your Grace will perceive that such a mistake was not unlikely to occur, but upon this point I would take leave to refer you to a correspondence which passed in the last year on this very subject.

Under date the 23rd May, 1861, your Grace forwarded to me copy of a communication from Governor Douglas in which he complained that the company were about to sell a portion of this water frontage which he considered would be required for the office of the harbor master, stating that the company's representative had proposed to build for the harbor master an office on part of the land then unsold, and to lease it to the Crown at a rent, but this being objected to, I at once, in accordance with the desire expressed by your Grace, sent out orders to the company's agents not to dispose of any of the land referred to.

It is clear, therefore, that it was a part of this land upon which the Governor then suggested that the harbour-master's office should be built, and that as he distinctly referred to the land which the company were about to sell he could not have intended the land at the foot of Fort street upon which the company's own buildings were then standing.

I respectfully submit, therefore, to your Grace that the arrangement with the Crown will be fairly carried out if 50 feet of the foreshore, about the end of Broughton street, are reserved for that purpose.

At the same time I admit that the letter of the agreement is that the land should be at the foot of Fort street, and if a literal execution of the the contract is insisted

upon the ground must be given up to the Crown at whatever cost or inconvenience to the company; but in that case the Crown would of course either pay for the buildings now erected upon it or the company would be entitled to remove them. But as upon the explanation I have now given I think your Grace will see that the agreement will be substantially and farily fulfilled by the cession of the frontage in the manner proposed by the company's Agent, I trust that this plan will be accepted.

The other points of discussion between the company's Agent and the Colonial Secretary are, I believe, of very minor importance, and I will at once give instructions that they should be disposed of in an amicable and liberal spirit.

If your Grace has not been furnished with the plans forwarded by the company's Agent to Mr. Young, we are in possession of copies of them which I shall be happy to furnish to your Grace.

I will only add that as the Crown is now entitled to receive from this company a reconveyance of the whole Island excepting such parts as have been disposed of, or as are under the arrangement with this company to be retained by them, the better course would now be that this company should execute to the Crown a reconveyance of all that belong to it. For the purposes of such reconveyance it will undoubtedly be desirable that we should be furnished with a correct plan of the whole island with an indication upon it of the parts that are not to be conveyed to the Crown, and we have given very pressing instructions to our Agents to forward such a plan, and your Grace will probably think it right to give directions to the same effect. The reconveyance can then be prepared and executed in this country, and the whole matter will thus be disposed of.

I have, &c.,

(Signed) W. J. BERENS,
Governor.

COLONIAL SECRETARY'S OFFICE,
15th July, 1862.

Sir,

Adverting to my letters of 31st March and 23rd April last—to the latter of which no answer has been received, and in view of the instructions forwarded to the Governor of Her Majesty's Principal Secretary of State for the Colonies to obtain in accordance with the agreement entered into between Her Majesty's Government and the Hudson's Bay Company, the conveyance forthwith of certain portions of land for the use of Her Majesty, her heirs and successors, I have the honor by direction of His Excellency to forward to you herewith the sketch maps, as particularized on the other side hereof, which have been prepared to accompany the deeds of conveyance of such lands; and I am to request you will be good enough to examine the said maps, and to return them at your earliest convenience, either with your acknowledgement of their correctness, or with any remarks you may have occasion to offer.

I have, &c.,

(Signed) WILLIAM A. G. YOUNG.

To DUGALD MACTAVISH, Esq.,
Agent for Hudson's Bay Company, Victoria.

List of (tracings) sketch maps herewith furnished :—

No. 1. Ground for a site of Harbor Master's Office and Entrance to a Public Wharf.
2. Police Barrack and Post Office Lot.
3. School Reserve, Victoria District.
Church Reserve and Cemetery.
Parsonage.
Public Park.
4. Government Reserve across James Bay.

VICTORIA, V. I., 29th July, 1862.

Sir,

With reference to your letter of the 15th, the receipt of which was acknowledged on the 18th instant, I now beg to hand you six tracings or sketch maps, as follows:—

No. 1. Lot reserved for Harbor Master's Office.
2. Lot occupied by Police Barrack and Prison.
3. Lot occupied by Post Office.
4. Public Park and School Reserve.
5. Church Reserve, Parsonage, and Public Cemetery.
6. Lot occupied by Government Offices.

Each tracing is accompanied by a written statement explanatory of the boundaries, &c., which I trust may be found sufficiently accurete to enable His Excellency to prepare the deeds necessary for the conveyance of the property in question by the Hudson's Bay Company to the Crown in accordance with the agreement entered into in London in February last.

In order to comply with the conditions of the agreement above referred to, I have yet to furnish to His Excellency a map or plan of the land to the south and west of James Bay shewing such portions as have been sold, and giving other necessary information in regard to the same. This duty shall be attended to at the earliest possible moment, and had it been possible to obtain the services of a qualified draughtsman the map would have been in readiness long ere this.

I beg also to return herewith the sketch maps, four in number, which accompanied your letter of the 15th instant, regarding which it is merely necessary to say, that with one or two exceptions, they are not such as under existing arrangements the Government can expect the Hudson's Bay Company to acknowledge as being correct.

I have, &c.,

(Signed) DUGALD MACTAVISH,
Chief Factor Hudson's Bay Company.

W. A. G. YOUNG, Esq.,
&c., &c., &c.

The Colonial Secretary to Mr. Dugald Mactavish.

COLONIAL SECRETARY'S OFFICE,

1st August, 1862.

Sir,

I have the honor to acknowledge receipt of your letter of the 29th ultimo, together with its accompanying sketch maps of lots proposed to be conveyed by the Hudson's Bay Company to the Government, all of which I have duly laid before the Governor.

1. With respect thereto His Excellency remarks one particular discrepancy between the tracing forwarded to you of the Harbor Master's lot and the tracing you have enclosed of the same lot. In the one case the lot is exhibited at the foot of Fort street, as specified by the agreement of February last; in the other the lot is traced at the foot of Broughton street, of which street no mention is made in the said agreement. His Excellency would therefore feel obliged if you would have the kindness to explain the reason of the alteration.

I have, &c.,

(Signed) WILLIAM A. G. YOUNG.

Mr. Mactavish to the Colonial Secrtary.

VICTORIA, VANCOUVER ISLAND,
4th August, 1862.

Sir:

I have the honor to acknowledge the receipt of your letter of 1st August, and very respectfully to state in reply for the information of His Excellency that there never was any other lot reserved for the office of the harbor-master in the town of Victoria than No. 15 in Block 70, which is situated on the water side of Wharf, between Broughton and Fort streets, as shown in the tracing or map transmitted to you on the 29th ultimo.

It seems to me unnecessary to add that this is the lot that the company are bound to convey to the Crown by the Deed of Agreement, as although mention is therein made of its being situated at the foot of Fort street, that can have little or no bearing in the matter, as no lots were ever laid out or reserved there for any purpose—the spot, as His Excellency must be fully aware, having been in the uninterrupted occupation of the company from the time of their first settling upon the Island until the present day, and long since improved by them for the purposes of their business.

I have, &c.

(Signed) DUGALD MACTAVISH.

Duke of Newcastle to Governor Douglas.

No. 123.

DOWNING STREET,
19th December, 1862.

Sir :

With reference to my despatch, No. 121, of the 15th of November, stating that Mr. Berens had been requested to furnish this department with the plans alluded to in his letter of the 3rd ultimo, I have the honor to enclose for your information copies of the plans in question.

I should be glad to learn whether these plans represent accurately the extent of land to be surrendered by the Hudson's Bay Company to the Crown under the recent agreement.

I have, &c.,
(Signed) NEWCASTLE.

No. 11.

VICTORIA, 20th April, 1862.

My Lord Duke,

Adverting to previous correspondence upon the subject of the Hudson's Bay Company's claim to land at Victoria, and to the Indenture dated 3rd February, 1862, containing the arrangement entered into between Her Majesty's Government and the company for a settlement of the question, I have now the honor to forward to your Grace copy of a map which I have received from the agent at this place at the Hudson's Bay Company's, accompanied by a letter explaining and exhibiting the portions of land to the south of James Bay that will revert to the Crown under that Indenture.

2. I also forward a report from the Attorney-General upon the map in question and a tracing upon the official map of 1858, upon which the greater portion of the lots in the town of Victoria were sold.

3. From the first named document it will be seen that a portion of land, equal in all to about 60 acres to the south of James' Bay, will revert to the Crown. This is indeed the whole that the Crown takes by the arrangement, for if the terms of the indenture be strictly fulfilled it would deprive the Crown, as I shall presently explain, of land of which it is now actually in possession, and has been in possession for years.

The extent of ground thus to be surrendered is certainly more than I anticipated, but I fear it will not equal the expectations entertained by your Grace at the time the agreement was executed, and when you addressed to me your despatch, No. 95, of the 30th April, expressing your Grace's confident expectation that in the large extent of lands thereby recovered to the Crown I shall be able to select a fitting site for a barracks. So far as this point is concerned a reference to the map will shew that with the exception of a few, not by any means valuable, town lots, being for the most part situated in a swamp still uncleared and undrained, and far remote from the buisiness and valuable portion of the city, which lies on the north side of James' Bay; the land to be surrendered consists of ten sections, varying in size from 9 to 2¼ acres situate close to to the sea shore, in a position altogether unsuitable for a barracks.

4. A comparison of the present map with the official map of 1858 will shew that various alterations have been made in the plan then laid down. I am not aware, however, that it is incumbent upon Her Majesty's Government to take any steps in respect to this matter. If the Hudson's Bay Company have violated their contract with purchasers of land in 1858, those purchasers can institute proceedings to obtain redress. The two most serious alterations to which I am bound, however, to call your Grace's attention are:

1st. The laying out and sale of lots along the water frontage between the Government Buildings reserve and Laural Point, such water frontage being laid out as a road upon the map of 1858.

2nd. The laying out and sale of a portion of the Government Buildings reserve.

By the first action the Colony is deprived of a water frontage that would have been eventually at the disposal of the legislature, and that if not sold would probably have brought in an annual revenue of over five thousand pounds sterling, or if sold, would, I believe, at the present moment realize some ten thousand pounds, and so soon as the dredging machine is at work and a few improvements are effected these lots, I am satisfied, would bring a sum little short of thirty thousand pounds; for several instances have recently occurred where water lots in less available, although more improved position in Victoria harbor have been sold at prices ranging from three to five thousand pounds sterling each lot. The lots before referred to were disposed of by the Hudson's Bay Company privately at, I am told, the nominal price of twenty pounds a lot, and I believe, almost entirely to their own servants; indeed, I am given to understand upon good authority that the greater portion of them are in the hands of one individual, a servant of the Hudson's Bay Company. I fear, however, that nothing short of an entire setting aside of the indenture of agreement would give Her Majesty's Government power to interfere in this matter, inasmuch as the 1st Article confirms all sales of water frontages and fore shore rights so far as Her Majesty, her heirs and successors may be concerned.

With respect to the second alteration, viz., the sale of a portion of the reserve upon which the Government Buildings stand I have already very fully explained the whole matter in my despatch to your Grace, No. 66, of the 24th October, 1861, and I would beg a reperusal of that despatch, which probably arrived too late to be placed in the hands of Her Majesty's commissioners when settling the agreement, or if in their hands, was not probably from ignorance of the locality, connected by them with the portion of land which they agreed to surrender by, in the 5th article, admitting the words "as far as the old fence dividing the government buildings from a farm of the Hudson's Bay Company."

The concession as it appears in the Agreement is reasonable enough, and Her Majesty's Commissioners, ignorant of the true facts of the case, could not insist upon depriving the company of a portion of a farm actually fenced in, as the specious words in the Agreement would imply. But what are those true facts? They are given at length in my before-mentioned despatch. A Government Reserve consisting of 10 acres was laid out in 1858, some of the posts are on the ground to this day. The rear portion, it is true, did infringe upon a small part of what once had been considered the boundary-line of the farm alluded to, but the reason of its doing so was to give the Hudson's Bay Company a more extended water frontage, which was of more value to them; for if the Reserve had not been carried so far back as to infringe upon the supposed boundary mentioned, the frontage must have been increased, and the company by that means would become the losers of far more valuable land. Mr. Berens, the Governor of the Hudson's Bay Company, admitted the Government to be in possession of this reserve in 1859. The Agents of the Hudson's Bay Company at this place also admitted it in 1859, as in that year the lots forming Block 60 were laid off and sold, and upon the map upon which they were sold the rear boundary of the Government Reserve was exhibited as part of the line of the street.

In 1861 Mr. Dallas disposes of a piece of this Government Reserve, the portion marked Z in the company's present plan, by private sale to a land-agent, for, I am told, a sum very considerably under its value; and in 1862 by the use of the peculiar language before referred to in the Agreement he obtains Her Majesty's confirmation of such illegal sale. The Government have been in possession of the whole of this reserve since it was first laid out;—they are still in possession of it. To give up the rear portion marked Z in the company's map would be to render the ground almost valueless for Government purposes, for the remaining space would be too circumscribed, the exit by the rear

would be cut off, objectionable buildings could be erected close to the government buildings, a constant fear of fire would exist; in short so great a nuisance would the possession of the disputed piece become that the Government would be compelled, if it had been legally sold, to buy it back.

I cannot but think that this result must have been foreseen when the arrangements were made for its improper alienation. I shall await your Grace's instructions in respect to this reserve before I give up any portion of it. The reclamation and sale of a portion of it in 1861 was a decided breach of faith on the part of the Hudson's Bay Company towards the Government—a breach of faith which I am sure would not have been confirmed by the Crown had the circumstances been understood.

5. As a part of the whole question involved in the Indenture of Agreement I beg to report upon the plans forwarded to me in your Grace's despatch No. 123, of the 19th December last. In reply to your Grace's enquiry I must state that I do not consider these plans accurately represent the land surrendered by the Agreement. I will proceed to examine them seriatim.

No. 1. *Harbour Master's Office.* The lot is herein represented as at the foot of Broughton street. The Agreement provides for 50 feet at the foot of Fort street, a far more valuable frontage.

No. 2. *Prison Lot.—Police Barracks.*—This is correct with the exception of a portion of the wide street in front of the police-court having been cut off. This is a matter, however, in which no interference is required.

The street in question has been used for years, has been macadamized by the public, and therefore cannot be reclaimed by the company, even presuming the rights of private property holders were not affected.

No. 3. *Post-office Lot.*—This would deprive the Government of the two adjacent lots No. 1605 and 1607, a portion of property in undisputed possession of the Government for the last thirteen years, and upon which a government building is actually now standing. Article 4 of the Agreement, treating of the post-office lot, apparently makes a generous surrender of property by the Hudson's Bay Company, if that property be required by the Government, as a convenience to avoid the removal of a government building. I will show, however, that so far from this being the case, a practical appliance of the Agreement is the virtual surrender to the company of property that they never before possessed and never had any claim to. The words of the Agreement are "Provided always that if the post-office or any part thereof shall be found to stand on a portion of two lots as marked in the said official plan, the whole of both lots shall be conveyed and surrendered to Her said Majesty, her heirs and successors."

Lots 1603, 1605, and 1607, are occupied by *two* government buildings. Mr. Dallas was as well aware of this as he was that lot 1603 was *alone* the site of the building which was generally used as a post office, and I cannot understand why that building alone should have been mentioned and the other wholly overlooked, except indeed to obtain what the words of the agreement would effect, a surrender to the company of property possessed by the Government, and required by the Government for public purposes. The map forwarded by the company is almost conclusive evidence of this, for thereupon the post office building is very carefully exhibited as not in any way infringing upon lot 1605 or 1607, but no government building is shewn as standing upon them, which is in reality the case. Moreover, this tracing must have been taken from a map in the possession of the company, and I suspect of Mr. Dallas also, prior to the conclusion of the agreement, or at all events prior to the arrival here of the copy of the agreement, for this tracing exhibits the post office building as projecting on the street. The building was removed back early in April, 1862, and therefore the map must have been made at the very least anterior to that date. Lot 1603 by itself is useless for the site of a post office, being only 30 feet frontage by 67 feet back, and the three lots are absolutely required for the public convenience.

No. 4. Public Park School Reserve.—The tracing of the public park I believe correctly represents its present boundaries, although not according with the official map of 1858, but as the Crown waives its rights so far as sales of portions thereof are concerned, it is not necessary for the Goverment to move further in the matter. The school reserve is correctly exhibited.

No. 5. Church Reserve, Parsonage, and Public Cemetery.—These are correctly exhibited, with the exception of a portion of the public cemetery being cut off, viz.: the lot marked 2005. The Crown however has in this case relinquished all claims to such portion, and therefore I presume it is not intended that any steps should be taken for its recovery.

No. 6. Government Offices.—This tracing exhibits the portion which has been cut off from the original reserve and sold, marked Z, I have already fully gone into this question, and therefore need not describe the incorrectness of the tracing at greater length.

6. To review the whole case. Assuming that Her Majesty's Government do not desire to move in the matter of the recovery of the water frontages, portions of the public park and cemetery, I yet think I have herein given sufficient reason for the Government to require that the company should relinquish their attempt to obtain a portion of the government reserve at James Bay, and the two government lots now occupied by a government building in Government street. Mr. Berens adverts to the conditions of the agreement requiring the surrender to the Government of a lot at the foot of Fort street, and in his letter to your Grace of the 3rd November, 1862, observes that Mr. Dallas, through whose medium the arrangement was come to, "never could have intended to have appropriated to the use of the harbor master ground already covered with buildings, and in actual use." On the other hand, I feel confident that had Her Majesty's Commissioners possessed as much local knowledge as Mr. Dallas, they on their part never would have consented to yield up to the Hudson's Bay Company ground already covered with government buildings, and *in actual use by the Government.*

To equalise this state of things I would suggest the following compromise, not that the public requirements will be satisfied thereby, but simply since matters have proceeded so far to bring the whole question to a speedy termination:

1. The Crown to yield up the valuable lot at the foot of Fort street, and to accept the less valuable and less convenient one at the foot of Broughton street.

2. The Hudson's Bay Company to relinquish all claim to lots Nos. 1603, 1605, 1607, in Government street, and to the rear portion of the government reserve at James Bay, marked Z in their map now transmitted, and to convey the same to the Crown.

I should think the company will hardly object to accept this amicable arrangement of the matter. Under the agreement they already take immense advantages. A vast property is secured to them. They are left in undisputed possession of large sums of money which the sale of portions of that property has brought them, not one farthing being deducted for the benefit of the colony, or even to pay for the expense of surveying, and selling which has been mainly borne by the colony and by the Imperial Government. All their actual outlay in connection with their tenure of Vancouver Island has been generously repaid in money by Her Majesty's Government. And what does Her Majesty's Government take by the agreement? A few acres of comparatively valueless land on the sea coast, and a few town lots that would have been sold long ago had anybody considered them worth buying. I would further mention, with respect to the acceptance of 50 feet frontage at the foot of Broughton street, that the ground originally claimed by this Government for a wharf and harbor master's office, as a public requirement and convenience, had a frontage of 200 feet. The circumstances

in connection with this were brought to your Grace's notice in my despatch of the 7th February, 1861, No. 9. The steps taken by your Grace in consequence thereof, as communicated to me in your despatch No. 61 of the 15th June, 1861, led me to assume that the Hudson's Bay Company would place the 200 feet at the disposal of the Government, the company, to use Mr. Berens' words in his letter of the 24th May, 1861, having "no wish to do anything that would militate against the public interests." Her Majesty's Commissioners have however been led to agree to the reduction of this claim 50 feet, which although sufficient for a public landing place and for a harbor master's office, is wholly insufficient for the purposes of a wharf according to the original intention.

7. Adverting particularly to your Grace's despatch of the 15th November last, No. 121, I would observe that I have had one or two interviews with the company's agent at this place upon the subject of the early final settlement of the whole business, but I do not find them disposed to take any responsibility on their own hands. The matter must therefore be settled in London, and if the compromise herein proposed be accepted and your Grace decides that the terms of the agreement be not further disturbed, I believe no obstacle will then remain to the immediate reconveyance to the Crown of the whole Island, less the portions acquired or legally alienated by the company, and so soon as I hear from your Grace to this effect I can have one map prepared for the purpose as recommended by your Grace.

8. The Attorney-General in his report accompanying this despatch states his belief that some of the sales represented to be made prior to the 1st January, 1862, are not *bona fide*. So soon as any fresh light is thrown upon this matter I will not fail to advise your Grace. At present I can only say that if the case be otherwise and the company feel hurt at such a suspicion being cast upon them it has been brought about by their own proceedings. Had the sales of land been in all cases genuine and beyond question I cannot understand why so much delay should have occurred in declaring what was sold, or why so much secrecy should have been observed, so that the Surveyor General could never at any time obtain the slightest information upon the subject. I mentioned these matters to your Grace in my despatches No. 57 and 58 of the 3rd and 5th December, 1862, and as there is no want of qualified surveyors and draughtsmen at Victoria, and as the agreement had reference to acts that were done prior to its date, and not to acts that were done subsequently to its arrival in the Colony, so far as the sales of land were concerned. I feel bound to say that the reason assigned by Mr. Berens for the delay, "a want of assistance in making the necessary surveys and plans of the property," only serves to give countenance to the suspicion instead of to remove it, for how could legal transfers and *bona fide* sales of property be effected if no survey had been made at the time of sale.

I have, &c.,

(Signed) JAMES DOUGLAS.

His Grace the Duke of Newcastle,

&c., &c., &c.

ATTORNEY-GENERAL'S OFFICE,

24th March, 1863.

Sir:

I have the honor to acknowledge the receipt of your communication of the 17th of January, 1863, and to report for His Excellency's information that I have received the plan forwarded by the Agent of the Hudson's Bay Company, and regret to say that the result of the examination is the verification of the fact that the company has altogether violated the principle of the official map of 1858. This is chiefly noticeable in the esplanade laid off between the point usually called Laurel Point and the Government Reserve, and in Laurel Point itself, which have been laid off in lots, whereas in the official map both places are laid off in such a manner as to give free access over them to the public. I have strong reasons to believe also that this action on the part of the company has been exercised in favor of members of the company, the pieces of land having been marked off and allotted to the present holders at nominal prices after their market value had risen to a high rate, and the result of such a transaction is the manifest injury to all holders of back lots in the vicinity and the violation of the contract with the lot-holders generally of the town. The information of the Attorney-General versus the company is still pending before the Supreme Court and I have in that suit required specific information of the details of the sale of each lot in the town, going into the details of every transaction and requiring the company to set forth the dates of all deeds, agreements, and conveyances made by them of each lot and the amount of consideration paid and the date of payment. I have strong suspicions that when the answer of the company is put in it will turn out that a still larger portion of the town site will revert to Her Majesty's Government, as I am informed that in several cases the lots returned by the company as sold previous to the 1st day of January, 1862, were not in fact then sold, but some time subsequently thereto. At present I can merely report this as a rumour, but I will take especial care to ascertain its truth or falsity as soon as the company's answer is put in. I may remark that every shift possible has been adopted by the company to avoid giving this information, and that I have in vain endeavoured to set in motion the powers of the court to compel the giving of the necessary instructions from the Home authorities which I requested in my letter dated the 25th day of June, 1861, but not receiving any reply to my application of that date, took the responsibility of pushing on the suit. There still remains, in addition to the questions arising on these localities, the questions of the encroachments on the Church Reserve, the Public Park, and lot No. 182A on Wharf street. I understand that the arrangement of the 3rd day of February, 1862, is one purely between the Crown and the company, and is not intended to prejudice the rights of private individuals being lot-holders in Victoria to repress such gross violations of public faith as have been committed by the company.

I have, &c.,

(Signed) GEORGE HUNTER CARY,

Attorney-General.

W. A. G. YOUNG, Esq.,

Colonial Secretary,

&c., &c.

The Duke of Newcastle to Governor Douglas.

No. 119.

DOWNING STREET,
1st October, 1862.

Sir,

I have the honor to inform you that after protracted discussions the sum which Her Majesty's Government proposed to pay to the Hudson's Bay Company in respect of their different outlays in Vancouver Island was £30,000, but that the company continued to demand £35,000.

Under these circumstances a compromise was offered on the part of Her Majesty's Government, and has been accepted by the company, by which the difference has been divided and the sum of £32,500 has been agreed upon as the amount to be paid in discharge of the company's claims on the Crown in consequence of its resumption of Vancouver Island. This payment is about to be made forthwith to the company by the Treasury.

I have, etc.,
(Signed) NEWCASTLE.

No. 57.

VICTORIA, VANCOUVER ISLAND,
3rd December, 1862.

My Lord Duke,

I have the honor to acknowledge receipt of your despatch No. 119, of the 1st October, 1862, commuicating to me that a payment of the sum of £32,500 was about to be made by the Imperial Treasury to the Hudson's Bay Company in discharge of the company's claims on the Crown, in consequence of its resumption of Vancouver Island.

2. I regret that I should still be unable to inform your Grace of the precise nature and bearing of the indenture of the 3rd February, 1862, forwarded to me in your despatch No. 84, for notwithstanding my repeated applications for information upon the subject, I am up to this moment in utter ignorance as to whether any, and if so, what land has to be surrendered by the company under that indenture.

3. I endeavored to bring the matter to an issue by forwarding to the local agent of the company sketch maps of the lands specifically mentioned in the agreement as to be conveyed to the crown. In nearly every case, however, the boundaries have been disputed by the company, and in one case, viz., the reserve for the harbor master's office, at the foot of Fort street, as mentioned in the indenture, the site has been altogether changed.

I cannot, however, bring these matters clearly before your Grace except as a whole, and I cannot do that until I obtain from the company a map exhibiting distinctly the lands that will revert to the crown under the indenture.

4. As various plans were alluded to by the indenture, I presume some must have been referred to at the time of discussion. Should such have been the case it would be very desirable that I should be supplied with copies, for notwithstanding that the "company's plan" is frequently mentioned in the indenture, from my inability to procure a copy from the Surveyor-General, having been unable even to obtain a sight of any such plan when specially sent by me to inspect it, and from his having been refused any account of lands sold previous to the 1st of January, 1862, coupled with the fact that since the receipt here of the indenture, surveyors have been seen placing boundary posts, and apparently running lines upon portions of land that is still unoccupied and was supposed to be unsold. I am really constrained to doubt the existence in the colony at the time the indenture was recived of any properly constructed general map or plan upon which the sales of the still unoccupied land to the south of James Bay had been made. Upon no other supposition can I account for the remarkable difficulty I

have experienced in my endeavors to obtain the information I was bound to seek, and which the company were bound to furnish, unless indeed it be the object of the company to secure from Her Majesty's Government the payment referred to in your despatch now reply, before rendering statements that would disclose the true character of the indenture of agreement of February last, and would shew how little the Crown benefitted by that indenture.

I have, &c.,
(Signed) JAMES DOUGLAS.

His Grace the Duke of Newcastle, K.G.

No. 58.

Victoria, 5th December, 1862,

My Lord Duke :

Adverting to the remarks contained in my despatch, No. 57, of the 3rd instant, upon the difficulty which I had experienced in obtaining any information from the local agents of the Hudson's Bay Company upon the subject of the lands surrendered to the Crown under the articles of agreement of 3rd February, 1862, and to the conjecture I hazarded that at the time of the receipt of that agreement in Vancouver Island no map or plan existed upon which sales of land to the south of James' Bay had been made—land that, although still unoccupied had, within the last few months, been cut up into lots and marked with boundary posts upon the ground. I have the honor to forward herewith to your Grace copy of a letter received this day from Mr. Dugald Mactavish, the principal officer of the company at Victoria, in which he confirms my conjecture inasmuch as he states that the requisite map is only now "in a forward state," and that he hopes to have a "copy" of the same in readiness for me at an early date.

2. I enclose copy of the communication which drew this reply from Mr. Mactavish. In that communication it will be seen that I offered the services of the Surveyor General to expedite matters, but Mr. Mactavish takes no notice of my offer.

3. On the 29th July, Mr. Mactavish wrote in reply to an application previously made to him: "I have yet to furnish to His Excellency a map or plan of the land to the south and west of James' Bay, shewing such portions as have been sold, and giving other necessary information in regard to the same, this duty shall be attended to at the earliest possible moment, and had it been possible to procure the services of a qualified draughtsman the map would have been in readiness long ere this.

I did not desire unduly to press the matter, I therefore delayed again writing until the 2nd instant, and now I am told by Mr. Mactavish that he "hopes" to have "a copy" in readiness by an "early date," leaving the matter in reality as indfinite as ever, for it requires more than five months to complete a copy of a map promised at the "earliest possible moment," and which copy could most assuredly have been made, if any original existed to copy from, in less than three days, it is impossible to conecture what period of time may be involved in the expression "at an early date."

4. I will bring the whole subject before your Grace immediately I do receive the requisite data; in the meanwhile I abstain from any further remark, but I deem it right nevertheless to make your Grace acquainted with the actual position of affairs in connection therewith to shew what I have done to bring matters to a speedy settlement.

I have, &c.,
(Signed) JAMES DOUGLAS.

His Grace the Duke of Newcastle,
&c., &c., &c.

The Colonial Secretary to Mr. Dugald Mactavish.

COLONIAL SECRETARY'S OFFICE,
2nd December, 1862.

Sir,

Referring to your letter of the 29th July last I have the honor, by direction of the Governor, to inquire whether the map therein promised is yet prepared; and I am to state that if the difficulty in obtaining the services of a qualified draughtsman still exists His Excellency will with your permission direct the surveyor-general to cause the required copy to be made from the original map in possession of the Hudson's Bay Company.

I have, &c.,
(Signed) WILLIAM A. G. YOUNG.

Mr. Mactavish to the Colonial Secretary.

VICTORIA, VANCOUVER ISLAND,
4th December, 1862.

Sir:

I have the honor to acknowledge receipt yesterday of your letter of 2nd instant, and to state in reply that the map referred to in my communication to you of 29th July last is now in a forward state, and I am in hopes to have a copy of the same in readiness for His Excellency by an early date.

I have, &c.
DUGALD MACTAVISH.

DOWNING STREET,
14th May, 1863.

VANCOUVER ISLAND.
No. 19.

Sir:

I have the honor to acknowledge the receipt of your despatches Nos. 57 and 58, of the 3rd and 5th December last, on the subject of the surrender to the Crown of the unsold land in the town of Victoria.

I have referred these despatches [17th March, 1863,] to the Governor of the Hudson's Bay Company, and I now transmit to you a copy of Mr. Berens' reply.

In the absence of any report from you on the letter addressed by Mr. McTavish to the Colonial Secretary, dated the 7th of January, which forms an enclosure in Mr. Berens' letter. I can only impress upon you the importance of not raising unnecessary controversies with the company's officers but of conducting the correspondence in a liberal and conciliatory spirit, the primary object being to put an end to the questionable tenure of the company, which is calculated to impede the progress of the colony.

With regard to the lot of land reserved for the office of harbor master, I shall still defer my final decision until I am in possession of your report on the subject, but I am desirous that you should deal with this question also in the same spirit, not of course sacrificing the interests of the public to the convenience of the company, but not on the other hand taking advantage of what is said to have been an error on the part of Mr. Dallas to expose the company to unnecessary expense and embarrassment.

I have, etc.,
(Signed) NEWCASTLE.

GOVERNOR DOUGLAS, C.B.,
&c., &c., &c.

HUDSON'S BAY HOUSE,

LONDON, March 17th, 1863.

My Lord Duke,

I have the honor to acknowledge the receipt of Mr. Under-Secretary Elliott's letter of the 27th ultimo, together with copies of two despatches from Governor Douglas.

In my letter to your Grace of the 3rd November last, I had the honor to place before your Grace the sketched maps of the property which Mr. W. A. Young had forwarded to the company for conveyance to the Crown, and I was not aware that there was any difficulty in regard to them except as to the site to be reserved for the Harbormaster. I, however, immediately wrote out to the company's agents with directions to have a plan made of the whole Island showing exactly also what had been disposed of and what remained for the Government, and I venture to suggest that your Grace should give instructions to the Agents of the Crown for the Colony to make a similar plan. Indeed I was surprised to find, from Governor Douglas' letter, that he should not have provided himself with a correct plan of the whole Island and of the different holdings by parties who had acquired any portion of it.

I have always understood that there was such a plan in the office of the Colonial-Secretary, although it had been hinted to us that alterations had from time to time been made in it.

I beg to assure your Grace that it is the earnest desire of this company to adhere most strictly and in perfect good faith to the conditions of the Agreements entered into with the Government, and I quite assent to your Grace's suggestion that no grants made by the company within the Victoria Reserve after the 1st of January, 1862, ought to be recognized by Her Majesty's Government unless it could be shown that the negotiations for them had proceeded so far before that date as to make their completion a matter of right, and it has never been intended to raise any question as to the right of the Crown to receive the price of any land sold after the 1st January, 1862. My belief is that it will be found that there is none such.

It is quite obvious that Governor Douglas' communications are conceived in a spirit of hostility to the company and their representatives in the Island, and it is very strange that as the Reserve in question was planned by himself while in the company's employ, that he should not have himself any map or plan showing its exact boundaries.

I am, however, now enabled to inform your Grace that by the last mail we have received from our agent, Mr. Mactavish, full particulars of the land to revert to the Crown with a map showing the exact position, and I cannot do better than transmit herewith, for your Grace's information, a copy of the plan and of a letter from Mr. Mactavish in reference to it. The plan was forwarded by Mr. Mactavish to Mr. Young, the Colonial Secretary, on the 7th January last.

I beg to add that from the communications received from the company's officials it is quite clear that the mention of Fort street as the site of the office for the Harbour-master, instead of Broughton street, was purely a clerical mistake, as in the company's plan in the Island it is marked at the foot of Broughton street, and the land at the foot of Fort is covered with buildings long previously erected by the company and occupied by their offices, and the clear understanding was that the office for the Harbour-master was to be erected on a part of the vacant ground.

I hope, therefore, that your Grace will give instructions to His Excellency Governor Douglas for the correction of this error.

I have, &c.,

(Signed) H. H. BERENS,
Governor.

HIS GRACE THE DUKE OF NEWCASTLE, K.G.,
&c., &c., &c.

P.S.—Since the above was written a letter has been received from Mr. Dallas dated January 21st, 1863, in which he defends himself from the charge brought against him of having led Her Majesty's Secretary for the Colonies into error with respect to the arrangement concluded for the settlement of the company's land claims at Victoria, and in compliance with Mr. Dallas' request I have the honor of transmitting a copy of the letter herewith.

(Signed) H. H. BERENS,
Governor.

VICTORIA, V. I.
21st January, 1863.

Sir,

We now transmit copy of correspondence with Mr. Young, the Colonial Secretary, on the subject of the lands to the south and west of James Bay in continuation of my report to you of the 21st August last.

The dates of this correspondence you will find annexed, and we also forward a tracing of the map the original of which accompanied my letter to the Colonial Secretary of 7th January.

For the information of their Honors we shall now point out the quantities of land &c., which revert to the Crown under the agreement of 3rd February, 1862.

Beacon Hill Park - - - - -	165 acres.
School Reserve - - - - -	10 „
Church Reserve, Parsonage and Cemetery -	25 „
Government Buildings - - - -	10 „
Beckley Farm - - - - - -	60½ „
	270½ acres.

Also the following town property:

Lot for Police Barrack, &c., worth - -	$15,000
Lot for Post Office, - - - -	6,000
Lot for Harbor Master - - - -	5,000

And should His Excellency decide on passing this lot through the company's premises at the foot of Fort street its value cannot be less than fifteen thousand dollars.

We may here refer to Governor Dallas' letter to you from this place of 13th September, 1859, in which is detailed the manner that His Excellency acquired the sum of 27,000 dollars for Colonial purposes by the sale of a portion of this town property belonging to the company, which may also be looked upon as having reverted to the Crown.

The foregoing remarks are made subject to revisal after the final decision of His Excellency is made known to us.

I am, &c.,
(Signed) DUGALD MACTAVISH.

THOMAS FRASER, Esq.,
Secretary,
Hudson's Bay Company, London.

VICTORIA, VANCOUVER ISLAND,
7th January, 1863.

Sir:

With reference to my letter of the 29th July last, I have now the honor to hand you accompanying a map of the lands to the south and west of James' Bay, and at the same time to ask your attention to the following explanatory remarks respecting it:

1. All the colored portions of the map represent the lands sold or disposed of by the Hudson's Bay Company.

2. Of the lands remaining unsold I propose that the following sections marked H.BC., should be retained by the Hudson's Bay Company, viz.:

Section	3	containing	6:00	acres
„	4	„	5:57	„
„	5	„	5:70	„
„	8	„	5:75	„
„	10	„	5:75	„
„	14	„	5:00	„
„	17	„	5:00	„
„	20	„	10:00	„

In all eight sections measuring 4877 acres, or about forty-eight and three-fourths acres, an allowance being made of one and a fourth acre for the site of the buildings at Beckley Farm, will thus cover the quantity of fifty acres to which the company are entitled.

3. There will still remain undisposed of sections and lots as follows:

Section	18,	containing	3:00	acres
„	19,	„	2:75	„
„	21,	„	3:00	„
„	22,	„	2:75	„
„	27,	„	5:09	„
„	28,	„	8:30	„
„	29,	„	5:40	„
„	31,	„	9:00	„
„	32,	„	7:00	„
„	33,	„	2:25	„
			48:54	acres

The following lots:

In Blocks 39, No. 921	1	lot
40, No. 932, 933	2	„
42, No. 937, 938, 939, 947, 948, 949	6	„
44, No. 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325	15	„
46, No. 1342, 1343, 1344, 1345	4	„
50, No. 1451, 1452, 1453, 1454, 1455, 1456, 1457, 1458, 1459, 1460, 1461, 1462, 1463, 1464, 1465, 1466, 1450A, 1467A	18	„
66, No. 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972.	22	„

Water front lots in Victoria Harbour:

No. 549A, 550A, 551A,
563A, 564A, 567A,
568A, 569A, 570B,
570C.

78 lots,
or about 12:00

60:54 acres.

Say ten sections and seventy-eight town lots, containing about six and-a-half acres, which, together with the entire water front to seaward of the street or drive marked Dallas Road, situated between Sections 31 and 32, but the measurement of which I have not considered it necessary to compute, will all revert to the Crown.

Trusting that the map with the explanations now given may be satisfactory to His Excellency,

I have, &c.,
(Signed) DUGALD MACTAVISH,
Chief Factor Hudson's Bay Company.

WILLIAM A. G. YOUNG, Esq.

VANCOUVER'S ISLAND,
COLONIAL SECRETARY'S OFFICE,
8th January, 1863.

Sir,

I have the honor to acknowledge receipt of your letter of yesterday's date, together with the map accompanying it illustrative of the land to the southward of James Bay disposed of by the Hudson's Bay Company, as well as that reverting to the Crown under the agreement of the 3rd February ultimo.

I have laid these documents before the Governor, and His Excellency will take them into immediate consideration.

I have, &c.,
(Signed) WILLIAM A. G. YOUNG.

To DUGALD MACTAVISH, Esq.

FORT GARRY, RED RIVER,
20th January, 1863.

Sir:

I was sorry to observe in a letter recently received from Mr. Berens that Her Majesty's Secretary for the Colonies complained that I had led the Government into error, and that they expected more land than they were likely to obtain. On this subject I can only appeal to Mr. Murdoch and Mr. Walcott, with whom the arrangement was made.

I marked out with a pencil a rough outline of the ground remaining unsold at the time I left Victoria, and which plan may still be referred to. I distinctly and repeatedly stated that I could not tell what portions of this ground might have been sold subsequently to my departure from Victoria, no information on this head having reached me or the Hudson's Bay House. My belief was in a general way that obtaining fifty acres for the company at least fifty acres would remain for the colony, besides several valuable water frontages on the harbor, a park of about two hundred acres immediately adjoining the above fifty acres, and several other reserves. I would also appeal to any unprofessional man of standing, in an undulated and woody country partly covered with brushwood and intersected by roads, he could make even an approximation to

what space fifty acres would cover. To do so upon a map after an interval of many months was a still more difficult task.

It should be borne in mind that though portions of the disputed ground are now very valuable, yet that the bulk of them was sold at the nominal price of fifty dollars and one hundred dollars a lot. During the earliest portion of my residence in Victoria, the whole of the lands were considered to be in the undisputed and rightful possession of the Hudson's Bay Company, not only by the people at large but by Governor Douglas and the Colonial Surveyor, who handed over to me the control of the land as being the private property of the company. Till the Duke of Newcastle first took exception to the validity of our claim there had never been doubt upon the subject in the colony, where our occupancy of the lands was well known, and considered to be in itself a title. As might have been expected the people of the colony eagerly grasped at the prospect of such an acquisition, and with the change of rulers and paymasters both Governor Douglas and the Colonial Surveyor changed their ideas also as to the ownership of the land, though nothing new had transpired to shake the legal or equitable claim of the company. Under these circumstances no agreement not granting to the colony the whole of the lands which they were led to believe was theirs, could be satisfactory, and local discontent is only what might have been looked for.

In arranging the matter with Mr. Murdock and Mr. Walcott I considered myself to be dealing in honor with them, and endeavored to guard against misleading them on any point upon which I saw they trusted to my local knowledge. In several instances I steped forward to reserve to the colony what I believed to be for its advantage, one of these was the Post Office lot, and perhaps Mr. Walcott may recal to mind one or two other instances. I endeavored to make the agreement so simple and concise that no occasion for dispute could possibly arise. The description of the harbor master's lot at the foot of Fort street being clearly a clerical error.

The friendly and liberal spirit evinced by both Mr. Murdoch and Mr. Walcott in so far as the nature of their position would admit were fully appreciated by me, and induced me to waive several claims which I should otherwise have adhered to; and I am desirous that a copy of this letter be furnished both to them and to the Colonial Office.

I have, &c.,
(Signed) A. G. DALLAS.

THOMAS FRASER, Esq.,
Secretary,
Hudson's Bay Company, London.

VICTORIA, 11th August, 1863.

NO. 33.

My Lord Duke,

I have had the honor of receiving your Grace's despatch of the 14th May last, No. 19, accompanied by communications from the Hudson's Bay Company in reply to my despatches Nos. 57 and 58, of the 3rd and 5th of December, 1862, relative to the delay on the part of the company in the completion of the preliminary arrangements for the carrying out of the indenture of agreement of 3rd February, 1862.

2. Your Grace impresses upon me the importance of not raising unnecessary controversies with the company's officers, but of conducting the correspondence in a liberal and conciliatory spirit. It has ever been my desire to act with the company's officers in the settlement of all these matters in the most frank and cordial manner but consistently with the duty I owe Her Majesty's Government, and with the interests of the public I could not refrain from pointing out to your Grace what appeared to me a most remarkable and unnecessary delay on the part of the Hudson's Bay Company, in revealing what extent of land would revert to the Crown under the indenture before mentioned, of the 3rd February, 1862. In doing so I did not desire to raise any unnecessary controversy. I believed your Grace to be in ignorance of the true facts of the

case, and I deemed it but right to lay them before you. It was furthest from my wish to cast any undue reflections upon the Hudson's Bay Company, but I could only judge of events as they occurred on the spot, and as I have already remarked in a previous despatch, if the Hudson's Bay Company felt hurt at the appliance to them of the inferences to be drawn from proceedings involved in so much mystery and delay, they have but themselves to thank for it by adopting such a line of conduct. I notice that Mr. Berens in his letter to your Grace of the 17th March, alleges that my communications are conceived in a spirit of hostility to the company. I need take no further notice of this observation than to remark that this is not the first time that an attempt has been made by the Hudson's Bay Company to give such a complexion to the public acts in respect to the company, which my position has required me to take. I have however, carefully abstained from ever permitting the true merits of the case to be lost sight of through the introduction of personalities. I desire most sincerely and that speedily to see the Hudson's Bay Company confirmed in all that they have a legal and equitable right to under the concessions made by Her Majesty's Government, but I do not desire in a settlement of that right to see the public necessities disregarded and land yielded up to the company that is actually possessed and occupied for public purposes, and I feel sure that your Grace will support me in what I have done upon a perfect comprehension of the whole case.

3. I trust that my despatch No. 11, of the 20th April last, accompanied as it was by complete maps and plans explanatory of the land treated of, will have served to place the whole case clearly before your Grace and to solve any difficulty that may exist to a speedy settlement of the matter.

It is perhaps almost unnecessary that I should trouble your Grace with any further remarks upon the correspondence you enclose to me, but I would desire to draw yours Grace's attention for a moment to the two cases in particular, in which I maintain that the claims of the Hudson's Bay Company under the indenture should not be confirmed to the great and manifest inconvenience of the public. The first is the government reserve, upon which the Government buildings stand. Mr. Berens in his letter of the 17th March, alluding I presume to this reserve, says that it is very strange that as the reserve in question was planned by Governor Douglas while in the company's employ, that he should have not have himself any map or plan shewing its exact boundaries.

It is with respect to this that I especially complain of the action of the Hudson's Bay Company. The government reserve was planned by me, as stated by Mr. Berens, while in the company's employ.

In 1858 it was surveyed, boundary posts were placed in the ground, and it was marked as so surveyed upon the official map of the town.

In 1858 Mr. Berens admitted the Government *to be in possession* of this reserve.

In 1859 its rear line was taken by the company as the line of a street, and town lots were surveyed off and sold facing the rear of the reserve, the street running between them and the rear of the reserve, and upon the map upon which these lots were publicly sold by the company, in 1859, the rear line of the reserve was exhibited *as laid down in* 1858, and yet notwithstanding all this, in 1861, without any intimation to me, Mr. Dallas suddenly disposes of nearly two acres of the reserve so planned, so surveyed, and so marked, in 1858, and I am credibly informed has gone to the unusual extent of granting a guarantee to the person to whom he sold it—a land agent—that the company would protect him against questions of title. The language in the indenture, which requires a personal knowledge of the locality thoroughly to appreciate, is interpreted by the company to deprive the government of the aforesaid two acres so sold, and to confirm the act of Mr. Dallas. I sent a plan of the reserve as originally laid out to Mr. Mactavish, in July, 1862, but he declined to acknowledge it as being correct, although it only contained the 10 acres *precisely as marked on the map in* 1858, and admitted by the company, in 1859, to be the reserve. In Mr. Mactavish's letter of the 21st January, 1863, forwarded in your Grace's despatch now under reply, the reserve, to be conveyed is represented to contain 10 acres. This is not the case, for the piece before mentioned being deducted, but 8 acres or thereabouts will be

left to the Government, and as I have explained in my despatch of the 20th April last, would render the reserve comparatively valueless for the government purposes for which it was allotted.

Mr. Dallas, I am told, was frequently seen (before leaving the colony) accompanied by surveyors in the rear of the government reserve, and he could not be ignorant that its rear line formed one side of the street,—that a great part of the opposite line was fenced in,—that houses were built *upon ground immediately opposite to the rear of the reserve*, and even for some distance beyond, and it therefore appears to me inexplicable, except for one reason, that the government reserve should have not been described as Mr. Dallas knew it was described, clearly and distinctly on the map, but that it should in the indenture of agreement have been made to appear to adjoin and to be *contiguous* to a farm, when surveyed lots and two if not three public thoroughfares did actually exist between the reserve and portions of ground still unsold that once belonged to the farm mentioned. Mr. Dallas offers no explanation on this head in his letter of the 20th January, 1863, forwarded by Mr. Berens.

The other case is the Post Office lot. Mr. Dallas claims the merit of reserving this lot to the colony. Mr. Dallas knew that it was in possession of the Government and had a government building upon it, and I presume for that reason "stepped forward" to reserve it for the colony. But Mr. Dallas also knew that the ground was claimed by the Government *not only* of *this lot* but of *two adjoining lots*, the same having been in undisturbed and undisputed possession of the Government for more than 12 years, and as has been shewn in my despatches, of the numbers and dates as per margin, [No. 17, of 28th March, 1860; No. 51, of 7th December, 1860;] virtually removed from the control of the company, and as Mr. Dallas knew this, and also knew that a government building stood upon those two other lots, it seems to me more than strange, that Mr. Dallas while so candidly coming forward in the interests of the colony in respect of the Post Office lot and building, should have made no mention at all of the other equally valuable government building, and only such a mention of the two lots as, I must think, he well knew would yield them up to the Hudson's Bay Company.

I sincerely trust that the reasons and explanations I have already given in my despatch No. 11, of the 20th April last, will induce your Grace to insist upon the colony being left in undisturbed possession of the government reserve, *as originally laid down*, and of the property cut up into three lots, which is *now occupied and held by the Colonial Government* in Government street. And in thus urging this step upon your Grace, I hope that you will deem that I am not raising a controversy which is unnecessary, but that I am performing a simple act of duty to the public which it would be culpable to neglect.

I have, &c.,

(Signed) JAMES DOUGLAS.

HIS GRACE THE DUKE OF NEWCASTLE,
&c., &c., &c.

The whole correspondence between Secretary & Sable Frere on behalf of the H.B.C. & Sidey deserve a deformer persistent boorishness

SCHEDULE

OF

DESPATCHES & CORRESPONDENCE

Transmitted to House of Assembly in Governor Douglas' Message of 3d of September, 1863.

Date.	No.	Description.	Folio.
28th June, 1860.	26	Duke of Newcastle to Governor Douglas	1
10th January, 1861.	6	Governor Douglas to Duke of Newcastle	2
5th April, 1861.	54	~~Governor Douglas to Duke of Newcastle~~ 1 to 2.	3
9th June, 1860.		Mr. Berens to Governor Douglas	3
2nd January, 1860.	1	Duke of Newcastle to Governor Douglas	4
16th December, 1859.		Mr. Berens to Duke of Newcastle	4
7th January, 1860.		Mr. Merivale to Mr. Berens	6
28th March, 1860.	17	Governor Douglas to Duke of Newcastle	7
1st January, 1851.		Mr. Barclay to Governor Blanshard	8
24th August, 1860.	32	Mr. Fortescue to Governor Douglas	9
26th June, 1860.		Mr. Berens to Duke of Newcastle	9
7th December, 1860.	51	Governor Douglas to Duke of Newcastle	11
10th May, 1860.	28	Governor Douglas to Duke of Newcastle	13
30th March, 1860.		Mr. Young to Mr. Dallas	13
9th April, 1860.		Mr. Dallas to Mr. Young	13
14th April, 1860.		Mr. Dallas to Mr. Young	14
7th February, 1861.	9	Governor Douglas to Duke of Newcastle	14
15th January, 1861.		Mr. Young to Board of Management, Hudson's Bay Company	15
28th January, 1861.		Mr. Dallas to Mr. Young	15
30th January, 1861.		Mr. Cary to Colonial Secretary	16
31st January, 1861.		Mr. Young to Mr. Dallas	16
4th February, 1861.		Mr. Dallas to Mr. Young	17
11th February, 1861.		Mr. Young to Mr. Dallas	18
15th February, 1861.		Mr. Dallas to Mr. Young	19
18th February, 1861.		Mr. Young to Mr. Dallas	19
15th June, 1861.	61	Duke of Newcastle to Governor Douglas	20
23rd May, 1861.		Sir F. Rogers to Mr. Berens	20
24th May, 1861.		Mr. Berens to Duke of Newcastle	21
26th July, 1861.	65	Duke of Newcastle to Governor Douglas	22
15th July, 1861.		Mr. Berens to Duke of Newcastle	22
24th October, 1861.	66	Governor Douglas to Duke of Newcastle	23
8th August, 1861.	50	Governor Douglas to Duke of Newcastle	27
27th April, 1861.		Mr. Pemberton to Governor Douglas	29
27th April, 1861.		Mr. Cary to Mr. Young	29

Date.	No.	Description.	Folio
30th April, 1861.	10	Mr. Young to Surveyor-General	30
1st May, 1861.		Mr. Pemberton to Mr. Young	30
9th May, 1861.		Mr. Pemberton to Mr. Cary	30
9th May, 1861.		Mr. Young to the Attorney-General	31
11th May, 1861.		Case for Opinion of Counsel	32
14th May, 1861.		Attorney-General to Colonial Secretary	33
18th May, 1861.		Opinion of Counsel	34
25th June, 1861.		Mr. Cary to Colonial Secretary	35
4th December, 1861.	79	Duke of Newcastle to Governor Douglas	36
8th November, 1861.		Mr. Berens to Duke of Newcastle	37
4th December, 1861.		Mr. Fortescue to Mr. Berens	38
27th February, 1862.	10	Governor Douglas to Duke of Newcastle	39
8th May, 1862.	98	Duke of Newcastle to Governor Douglas	39
24th January, 1862.	84	Duke of Newcastle to Governor Douglas	40
		Indenture	41
30th July, 1862.	39	Governor Douglas to Duke of Newcastle	43
15th November, 1862.	121	Duke of Newcastle to Governor Douglas	43
3rd November, 1862.		Mr. Berens to Duke of Newcastle	44
15th July, 1862.		Mr. Young to Mr. Mactavish	46
29th July, 1862.		Mr. Mactavish to Mr. Young	47
1st August, 1862.		Mr. Young to Mr. Mactavish	48
4th August, 1862.		Mr. Mactavish to Mr. Young	48
19th December, 1862.	123	Duke of Newcastle to Governor Douglas	49
20th April, 1863.	11	Governor Douglas to Duke of Newcastle	49
24th March, 1863.		Mr. Cary to Mr. Young	54
1st October, 1862.	119	Duke of Newcastle to Governor Douglas	55
3rd December, 1862.	57	Governor Douglas to Duke of Newcastle	55
5th December, 1862.	58	Governor Douglas to Duke of Newcastle	56
2nd December, 1862.		Mr. Young to Mr. Mactavish	57
4th December, 1862.		Mr. Mactavish to Mr. Young	57
14th May, 1863.	19	Duke of Newcastle to Governor Douglas	57
17th March, 1863.	19	Mr. Berens to Duke of Newcastle	58
21st January, 1863.		Mr. Mactavish to Mr. Fraser	59
7th January, 1863.		Mr. Mactavish to Mr. Young	60
8th January, 1863.		Mr. Young to Mr. Mactavish	61
20th January, 1863.		Mr. Dallas to Mr. Fraser	61
11th August, 1863.	33	Governor Douglas to Duke of Newcastle	62

PLANS, TRACINGS, &c.

Enclosures in Letters from Mr. Young to Mr. Mactavish, of 15th July, 1862:

1. Harbour Master's Office.
2. Police Barracks and Post-office Lot.
3. School Reserve.
   Church Reserve and Cemetery.
   Parsonage.
   Public Park.
4. Government Offices.

Enclosures in Mr. Mactavish's Letter to Mr. Young, of 29th July, 1862:

1. Harbour Master's Office.
2. Police Barracks and Prison Lot.
3. Post-office Lot.
4. Public Park.
   School Reserve.
5. Church Reserve, Parsonage and Cemetery.
6. Government Offices.

Enclosure in Mr. Mactavish's Letter to Mr. Young, of 7th January, 1863:

Plan of Land to be surrendered to H. M. Government under agreement of 5th February, 1862.