

6 CORRESPONDENCE *relative to the* DISCOVERY of GOLD *in the*

In the absence of all effective machinery of Government, I conceive that it would be quite abortive to attempt to raise a revenue from licences to dig for gold in that region. Indeed, as Her Majesty's Government do not at present look for a revenue from this distant quarter of the British dominions, so neither are they prepared to incur any expense on account of it. I must, therefore, leave it to your discretion to determine the best means of preserving order in the event of any considerable increase of population flocking into this new gold district; and I shall rely on your furnishing me with full and regular accounts of any event of interest or importance which may occur in consequence of this discovery.

To Governor Douglas,
&c. &c.

I have, &c.
(Signed) H. LABOUCHERE.

No. 3.

No. 3.

COPY of a DESPATCH from Governor DOUGLAS to the Right Hon. HENRY LABOUCHERE, M.P.

(No. 28.)

Victoria, Vancouver's Island, October 29, 1856.

SIR,

(Received January 14, 1857.)
(Answered, No. 5, January 24, 1857.)

1. I HAVE the honour to acknowledge the receipt of your Despatch, No. 14, of the 4th of August, communicating the arrival of my Despatch, No. 10, of the 16th April last, in which was reported the discovery of gold within the British territory in the Upper Columbia River District.

2. I have, since the date of that letter, received several other communications from my correspondent in that part of the country, who, however, scarcely makes any allusion to the subject of the gold discovery; but I have heard through other almost equally reliable sources of information, that the number of persons engaged in gold digging is yet extremely limited, in consequence of the threatening attitude of the native tribes, who being hostile to the Americans, have uniformly opposed the entrance of American citizens into their country.

3. The people from American Oregon are therefore excluded from the gold district, except such, as resorting to the artifice of denying their country, succeed in passing for British subjects. The persons at present engaged in the search of gold are chiefly of British origin and retired servants of the Hudson's Bay Company, who, being well acquainted with the natives, and connected by old acquaintanceship and the ties of friendship, are more disposed to aid and assist each other in their common pursuits than to commit injuries against persons or property.

4. They appear to pursue their toilsome occupation in peace, and without molestation from the natives, and there is no reason to suppose that any criminal act has been lately committed in that part of the country.

* * * * *

5. It is reported that gold is found in considerable quantities, and that several persons have accumulated large sums by their labour and traffic, but I cannot vouch for the accuracy of those reports; though, on the other hand, there is no reason to discredit them, as about 220 ounces of gold dust has been brought to Vancouver's Island direct from the Upper Columbia, a proof that the country is at least auriferous.

From the successful result of experiments made in washing gold from the sands of the tributary streams of Fraser's River there is reason to suppose that the gold region is extensive, and I entertain sanguine hopes that future researches will develop stores of wealth, perhaps equal to the gold fields of California. The geological formations observed in the "Sierra Nevada" of California being similar in character to the structure of the corresponding range of mountains in this latitude, it is not unreasonable to suppose that the resemblance will be found to include auriferous deposits.