## E COUNCIL.

THURSDAY, June 21 a.m. Present-The (presiding), Colonial eneral, Treasurer, Sur-layson, Donald Fraser. 'S BILL.

of the Hon. Colonial cond reading. HE COLONY. ntroduced and moved

ons on the State of the conded by the hon. Mr. without debate. idress be presented to overnor acknowledging ng His Excellency for the 18th instant, transtions of the Legislative te of the Colony" for opinion of this House, resolutions, embodying use upon the subject of utions be presented to

namission to Her Maj-etary of State for the Legislative Council of nd its Dependencies, erious consideration the ded to feels considerable expressing a decided ed and important sub-

se resolutions.
Innot agree in thinking of this colony is irres. er, and fails to see the ne depression which at ne constitution of the of this Council that

ainly to the decrease of on of the neighboring ne trade of Victoria—ferential duties imposed ince the entire separa ments in 1864; to exto a course of political had the effect of paralling capital. owever, to the Council en aggravated by the ense which has so long

n of union; and that it dient that the final de-'s Government on that tained and communiay as possible. LIEN LAW.

Secretary moved that day six months, which Treasurer and carried

on. Colonial Secretary, on. Attorney General,

wn out without dissent. EAL PROPERTY. Ion. Attorney General n. Mr. Finlayson, this out without dissent.

AMENDMENTS. Committee on the Asto this bill, the hon. nents, rejecting others. and reported progress. LUMBIA TARIFF. ser gave notice that he eting of the Council ask plutions respecting the

III Monday at 1 p.m.

WAIIAN ISLANDS Allen, which left Hon-t., we learn that Her ncess Victoria, sister of V. died two days pree in state at the Palace, royal custom of Ha-not be buried for two he natives wander up, and for a considerable iling is kept up. All the Islands will wear Queen. Immediately Princess, a royal salute ns was fired from the l Hill. The late Priniend of Americans, and d American interests. a friend difficult to re-

ceived from a lady cor-the following: "I have he palace, where I have lictoria laid out in full e satin and lace. The pressive one, but to a ery strange." The Prin-e Prime Minister of the "Keena-Ani," without of the royal acts can be he of course occupied sition in the political and e islands, and her death if she had occupied the

s not important. The Sydney, with coal, was reparatory to being hove on completion of which r this port. She was pout ten days previous to ulu—Alta.

IGORATION. -By means o Pills, these two prond inseparable, and this other cathartic in exists n they are decidedly the ative medicine ever pre-palsy, nervous weakness and vertigo or dizziness always in some degree ffects or causes, with a he stomach, the liver, or these organs the Pills promptitude, and curat aply astonishing, while at Bristol's Sarsaparilla, emarkable of all agents lity of the blood, is indistr s. The Pills are put up l keep in any climate. old by all prominent Druge

HOLD TO THE STATE OF THE STATE

VICTORIA, VANCOUVER ISLAND, TUESDAY, JUNE 26, 1866.

THE BRITISH COLUNIST ERY MORNING. Sundays Excepted, VICTORIA, V

become a matter of impossibility; in-

deed, we but write the truth when we

say that since the telegraph wire

reached this city both papers have

sunk a large amount of money for

their owners; that their general effi-

ciency was therefore fast becoming im-

paired, and that the public were losers

thereby. In this condition of affairs

it became necessary that steps should

be taken to insure the public in the

possession of at least one good news-

dispensed with; and in the appoint-

ment of one Governor over the

the United Colonies with a lower

salary and a smaller staff than is sup-

ported by either of the Colonies at

present. In discussing the leading

topics of the day we shall endeavor

to be decided in tone without being

their merits without regard to the in-

inate. Our position shall be, as here-

and our columns will be open to

unmistakeable terms. Both branches

VOL. 7.

pelled to raise the weekly rate of subwill not be deemed exorbitant own expenses, has fixed the rate for papers. It therefore becomes necessary that we should ask the public to bear a portion of the loss, and we feel sure, from past experience, that we shall not meet with a refusal. In other respects there will be no change n our rates. All we ask is a fair return for our labor.

Having thus briefly stated our posis tion and intentions, we beg to return that no effort will be left untried, and neither enterprise nor expense spared to make the Colonist and Chronicle | Eastern, it is a public house; I know of a a newspaper worthy the support and confidence of the people of both Col-HIGGINS & LONG.

Victoria, V. I., June 25, 1866.

LOCAL INTELLIGENCE. Monday, June 26th.

Interesting Trial of a Suspected Smuggler before a United States Court.

Attempt to Compromise the Sir James Douglas.

paper instead of two fading ones, and a On Saturday evening the Sir James proposition for the purchase of the Douglas left this port for Bellingham Bay, Colonist plant and good will was con-W. T., with several English Coal miners sequently entertained. The arrangements were completed on Saturday the mines there. Among the passengers aboard, who had been engaged to work at last, and the paper appears to-day was W. Lyons, of the New Zealand House. to me and asked me if I would under the sole proprietorship and The usual precautions to prevent liquors. control of the undersigned and Mr W. being smuggled were taken by Capt. Clarke, A. Harries, -a gentleman long favora- but a search failed to disclose any contrably known to most Victorians in his band packages, Arrived at Bellingham Bay, position as senior member of the American Custom officer, W. E. Barnard. the late firm of Harries & Co. Physically, our status has undergone a later in the evening returned and informed complete change; politically, our Capt. Clarke that he had been informed that opinions are unaltered. We believe in search was made by the mate, who discovered a conditional Union of the Colonies; three or four packages of liquors in the in the continuance of our Free Trade forehold. The steamer left early the next morning for Port Angelos, where Lyons policy, with such modifications as the was taken into custody as a smuggler. commercial community may from time A report of the proceedings before the to time deem proper; in Governmental nished by N. Jacob, Esq., who was present, Retrenchment and the removal of all and watched the case on behalf of the Government of this Colony. officials whose services may be safely

U. S. COMMISSIONER'S COURT. [Before W. E. Conklin, Commissioner, and D. C. Brown, Deputy Marshal.]

June 23rd, 1866. attempting to smuggle liquors into a could make a good thing out of it; the United States Port. Mr W. E. Barnard acted as prosecutor, and Mr John W. Begley 10 gallon kegs of liquors; I have known appeared for the defence. The first witness called was :

personal, and to deal with questions on Mr Lyons came to me for a passage to terday forenoon in the forecastle; he went Bellingham Bay, and asked the fare there as a passenger, and had his meals in the and back; he said that he would make money cabin; I had reason to believe that smngdividual with whom they my ori g- if I would carry liquors across; if I would gled goods were on board; I saw a man take allow him, or words to that effect. I told something down the forecastle the night tofore, independent. We shall be the which was by legitimate means; this is all him there was only one way of doing that, before, it was something cut of a case; one servants of no man, party or clique, that occurred on this occasion-

Examined by Mr Barnard-Did you tell the prisoner what you meant by legitimate communications on all topics affecting means. I did; and in reply be said be the public welfare without regard to would not take them. The liquor found on the political views expressed in them. board was not there with my and the believe; they were not In dealing with His Excellency's acts, entered at the Custom House on my leaving we shall endeavor to treat him with Victoria yesterday morning. On our way to Port Angelos I was informed by the respect that is due to the high po- the Engineer that he thought it his duty sition he occupies; but we shall to acquaint me that he suspected spirits always criticise his official conduct being brought into the ship. I inquired of the crew, I mean that portion of the crew on freely. When we believe him to be deck, not the firemen; they informed me in the right, we shall say so; and the ship to their knowledge. Talso visited when we believe him to be in the the lower deck and found nothing; nothing the ship to their knowledge. I also visited wrong, he shall be told so in plain and further occurred until last night, when after

of the Legislature shall receive every Bay, this is the port we were destined for. consideration at our hands. Both Mr Barnard informed me that smuggled

with either branch. As heretofore, be more; I sent the chief officer again to we shall endeavor to furnish the latest lift a small hatch in the lower deck; this news at whatever cost, but in order to and he found three tips, of about 5 gallons meet the telegraph bills we are com- each, 2 of which we punched holes in, and found they contained spirits; the third we did not touch, but concluded it contained the scription to thirty-seven and a-half same as the others; had them put back again cents-a rate which we feel sure n the same place; agreed with Mr Barnard and Mr Neale, the chief officer, to keep watch in the forehold of the ship; I was when our readers bear in mind one of the watch, warned all the crew the enormous expense attendant to remain in bed, as I was going to upon laying before them at their breek, and saw every one into bed about upon laying before them at their breakfast-hour the latest news from all parts.
With only one paper in the field the TeleWith only one paper in the field the Telewatch, and saw every one into bed about half past ten; the prisoner was not on board when the liquor was discovered; he left the ship after dinner, between six and eight o'clock: I don't know of his being on board o'clock; I don't know of his being on board graph Company, in order to meet its subsequent to this. After all hands were sent to bed, between half-past eleven and twelve I heard Mr Lyons' voice with others; telegrams at a figure corresponding I could see but could not be seen; I only with that formerly paid by both heard one person on the deck. Immediately the foot touched the deck, a man jumped out of bed and ran up the forecastle ladder; I tried to stop him by calling out, in an under tone, he either did not hear me or would not pay attention to me; I did not call out the man's name, as I did not know who it was, his back was turned to me, but as he returned about a minute after I saw it was Henry Wafford, the fireman; I think Mr Lyons was moving and going aft; I presume it was Mr Lyons; I will swear it was Mr Lyons' voice; I can't say if Mr Lyons remained on board all night after this; I heard somebody on board between one and two our thanks to the patrons who have o'clock; I should think there were two, I extended to us through the CHRONICLE a | neard voices, their voices were suppressed. I heard footsteps, they were very light; I generous support, and to assure them saw the reflection of a dark lantern or lamp; I should think it was on the wharf; I know the business of the prisoner, he is a drinking saloon keeper, he keeps the Great package of champagne being brought on board by Lyons, not belonging to the ship, it was a box; Mr Lyons treated all hands on board; they were bought of the steward; the champagne was stated to be for the use of the people going in her; Lyons stated he expected Mr Backus and a large party were going; the champagne was to treat them; Remember when you, Mr Barnard, left the hold; after leaving the hold I went into the

cabin and saw the prisoner there.

Cross-examined—I recognised Mr Lyons' voice; I was below him; I could not see any one: I believe that the champagne was brought on board to treat with; the voices were of a suspicious character; there ought not to have been anybody moving about the ship at that hour of the night; I saw a light; the lantern did not belong to the ship. Charles Moss-I was on board the ship all

night, after eight o'clock; I know the prisoner; I have heard the testimony given

by Captain Clarke; the prisoner came on board about half-past eleven; he came to take away what few things he had; he came bottle of brandy; I told him no, it was against the rules, and I would not; he said he was going to take his things ashore : he said he was thinking to stay at Bellingham Bay a few weeks, it might be a month, even three months; he said he had arranged with the head boss there to open a boarding house; he asked me to call and tell his wife he would not be home for some time; he left the ship; I understanding he was going to take up his residence at Bellingham Bay; I was surprised to see him in the cabin this morning; woke him up this morning and asked him why he did not stay ashore; he said he had some other business to attend to: half anhour after we came in from Nanaimo he came to me and said he could put me in the way of making some money; I said I did not want to enter into anything of the sort; he told me that a steward was allowed IO gallons of each kind of liquors; I said I did not care if he was allowed 50; I declined, and said I would not get myself into any difficulty; he asked me what I would take to let him go in my place : I told him Capt. Clarke would not allow it; there was some-W. Lyons was arraigned on a charge of thing said about what could be made; we money was to be made by smuggling these Lyons 2 or 3 years: I have been steward of alled was:
Capt. James Clarke—On Thursday night Lyons on board previously; I saw him yesof the men was Wafford; I could not tell the height of the other man, he was stooping down; Wafford is a man of family, when

in port he does not sleep on board. Examined by Commissioner-It is not usual for packages to be passed down the forecastle at that time of night; the other man was not one of the crew; I know it because of his hat.

Cross-examined-I don't know what state the prisoner was in when he came on board the ship for the brandy, I don't believe he was drunk; they were taking something out of a case down the forecastle; I don't know what it was.

Re-examined-I was in bed when he came ou board at half-past 11 to fetch his things; I was not awake many minutes after

this; the defendant did not appear drunk. George Neale—Half-an-hour after the liquors had been found last night I was Mr Barnard had left the ship, having wished liquors had been found last night I was me good bye, we were then at Bellingham talking on deck with the Engineer and Steward on the poop, when I heard a man come down the wharf and jump on board; exist by constitutional right; each up all hands immediately, everybody, and made no reply, I then walked forward and liquors or spirits were on board; I turned I hailed him and asked him who he was, he exerts a wholesome check on the inquired if any of them knew anything about saw him forward of the windless, I asked him

other; and aithough the powers possessed are capable of abuse, we are persuaded that, with our present system of Government and Union immitted to a demijohn filled with spirits; about half an hour after this, when Mr Barnard the powers was looking out for it on the forecastle; I was ashore at Beilingham Bay; I went to presume he meant the passengers, had left behind him, he then passed on, went round by the foremast, and then on to the wharf, with no coat; he did'nt find anything; he was looking out for it on the forecastle; I was ashore at Beilingham Bay; I went to be a Cleotchman; I didn't speak to Wafford there.

This closed the case for the presecution. We was looking out for it on the forecastle; I was ashore at Beilingham Bay; I went to be a cleotchman; I didn't speak to Wafford there.

This closed the case for the presecution. We was looking out for it on the forecastle; I was ashore at Beilingham Bay; I went to be beind him, he then passed on, went round by the foremast, and then on to the wharf, with no coat; he did'nt find anything; he was looking out for it on the forecastle; I was ashore at Beilingham Bay; I went to be a clootchman; I didn't speak to Wafford the beind him, he then passed on, went round by the foremast, and then on to the wharf, with no coat; he did'nt find anything; he was looking out for it on the forecastle; I was ashore at Beilingham Bay; I went to be a clootchman; I didn't speak to Wafford the beind him, he then passed on, went round by the foremast, and then on to the wharf, with no coat; he didn't find anything; he was looking out for it on the forecastle; I was ashore at Beilingham Bay; I went to be a clook in the coat of the presume he meant the passengers, had left be beind him, he then passed on, went round by the foremast, and then on to the wharf, and the coat of the coa Indian, and took no notice of him; he also told me in conversation, that on Thursday that all circumstances tended to show that the night, between 12 and 1 o'clock, when he went on board, the light in the forecastle was out, and he had to light it before he could find the prisoner guilty. get to bed ; Mr Foord is one of the firemen ; the light ought to have been burning; this lengthy, able and eloquent manner on behalf statement is made in conjunction with that of the prisoner, stating that there was no of Capt. Clarke; I can also confirm that evidence to show that the prisoner was the one of the voices I heard last night about party, and asked the Court to dismiss the half-past 11 was the voice of the prisoner; I retired to bed about half-past three, and found the prisoner asleep in a blanket in the cabin; I have seen the prisoner now and then aboard the boat.

coming from Nanaimo, prisoner was in the charged, but he must say that that there was torecastle; I am under the belief he had slept great suspicion against the prisoner. The

Henry Wafford-I don't know any thing lasted until near ten: about this matter I don't know any thing more than a child unborn about the liquor; consequences of perjury are; I know the pris- on Government street has been very handsomely oner; I have no acquaintance at Bellingham and tastefully fitted up by the Masonic Fraters oner; I have no acquaintance at beiningular Bay; I am aware that smuggled goods were found on board the Sir James Douglas; I know where they were found; I saw them taken up; I was on board the steamer Sir Jas.

Lodge, on Langley street, and proceed at 2 by the Preshyterian Church on Pandors. Douglas twice the evening previous to her leaving Victoria, once a little before nine, and again at half-past nine; I was alone; I went down for some hog wash; I didn't take it; I went straight home; I told my wife I wanted went straight home; I told my wife I wanted to get a street, where service will be conducted and an address delivered by the Chaplain, the Rev. Thomas Somerville, M. A. A large and effective choir from the different churches in the some tobacco, as I should not have time to get it in the morning as we were going away so music under the leadership of band master early; I took my clean blankets in a towel; as Haynes, for which considerable preparation I went down I saw Moss coming off the has been made. At the conclusion of this serwharf; the first time I came down was for the vice the Masons will repair to their new hall wharf; the first time I came down was for the swill, I didn't take it away; I walked round to inaugurate the same in due form and will the block with a neighbor; the block runs dine together in the evening in the new room, down Wharf street to Government street; Mons. Driard, of the Colonial Botel, being the giving instructions for no one to leave his berth; I went on deck to make water; I saw bearing the words "Masonic Hall," was placed you (Mr. B.) on deck; I didn't hear any noise upon the cap of the building, giving the strucabout the ship; I have been to Lyons' house ture a more finished appearance. As several has been to Nanaimo with ns; he was in the forecastle yesterday morning . I was there; the forecastle is always unlocked; any one could go down and put things on board; I was on board when a stoker was dismissed; he was About 1 o'clock yesterday morning, the sent away because he left the ship without or schooner Alpha, bound for Nanaimo, with ders from the captain; the captain made a regulation that one man should always remain on board : that regulation is still in force, the regulation has been broken contrary to the captain's orders and without his knowledge . I never knew all the men to be off; the first sight I had of the liquor was last night; I have not heard any of the men speaking about it; Mr. Evans, a next door neighbor of mine, was the person I was walking with; there was no person on board when I went on board; the night before we left for Bellingham Bay; Mr. Martin, one of the crew, came on board about nine o'clock; five minutes after, just benine o'clock; five minutes after, just before I left, I saw the engineer; the captain and mate had just jumped ashore; I was on board about a quarter of an hour altogether; the defendant was on board a little before nine; I went and spoke to him; he said he thought of taking a trip over to Bellingham Bay; he fore he was boarded by the revenue officer; it

James McCulloch ... Have been engineer since the 26th December last; I have known the prisoner about two years, not as a friend, only by sight; never had any conversation with him as to business; I heard a portion of the conversation between the captain and the prisoner he asked the captain the fare to Bellingham Bay; the captain said \$8 would be a fair price; the prisoner said something about liquors; if he could take certain liquors in the ship; the price of passage, he said, was a very small consideration, as he could make \$100; the captain said he must get a permit and have them passed through the custom house; the prisoner then dropped the matter.

Cross-examined ... We were all conversing together; he didn't use the word smuggling; it was supposed there were a number of persons going by the ship; he may have meant them for them; I should think it was the in-tention of the prisoner to get the things through without passing them through the custom house; the subject then dropped; the prisoner stated that he had not thought about the custom house, or words to that effect; I know of liquors having been discovered on board: I knew nothing about the liquors until I saw them last night, and I did not know there was a trap door in the forecastle boarding; I expressed to the captain on the way from Victoria to Port Angelos that I was suspicious that there were smuggled goods on board, the steward expressed his suspicions to us that he had seen things going down the forecastle of the ship the evening before; I don't know if it was clothing; he said he had been suspicious that things were going down that ought not to have gone down; he saw the things going down up to twelve o'clock; I did not state to the captain who I thought had put the things down; he (the steward) afterwards told me that Wafford was one of them.

Witness, recalled-I am certain that I saw Wafford with something in his hand; he took it from another and passed it down the fore-

Peter, an Indian, examined through an In. terpreter, Nathaniel Clifford-I saw the cans brought up on deck to-day ; I didn's know what was in them; I saw them down below

don't know who the man was, he was a stating that the evidence he had adduced be stating the evidence he had adduced be stating that the evidence he had a fireman, a man whom I thought there was the fore the court was sufficient to prove that most faith to be placed in, if he had seen Sir James Douglas, and as this court and counany one as he came down the wharf; he sel on both side had agreed that the officers said yes, he had seen a man lurking round and crew of the ship had had nothing to do the coal cars, whom he supposed to be an with secreting or placing the liquors on board, the court could but see from the evidence prisoner was the guilty party. He then went through the evidence, and asked the court to

Mr Bagley then addressed the Court in a

The Honorable Commissioner in delivering his verdict, said that he had given the evidence his best attention, and could but come to the conclusion that the evidence given on behalf of the prosecution was not sufficient to con-Cross-examined-On a previous occasion, vict the prisoner, who must therefore be disgreat suspicion against the prisoner. The trial commenced at half-past two o'clock and

THE MASONIC HALL .- The splendid hall on I know I am on my oath; I know what the the second floor of Capt. Stamp's new building caterer for the occasion. On Saturday a handsome stone slab, surmounted by a scroll and members of the House of Assembly will take part in the proceedings, we presume there will be no meeting of the House to-day:

thirty tons of freight, ran on the rocks at Bayley's Point, ten miles from Victoria. Word was brought to town at 9 o'clock yesterday morning, and the steam-tug Diana, towing the schooner Meg Merrilies, proceeded to the point. The Alpha was high and dry—the tide being at its ebb. At high water the cargo of the distressed vessel was discharged into the Meg Merrilies, and a stout hawser having been made fast to the former she was drawn into her mative element and was subsequently brought

FROM NEW WESTMINSTER-The steamer En terprise arrived on Saturday from the above port, bringing a few passengers and Dietz & Nelson's express. News from the sister Capital and the interior is meagre ..... At Yale the said he was going over to try and get a piece river rose on Tuesday and Wednesday, but of land to set up a grog shanty; I didn't see fell on Thursday. The weather was pleasant and the roads in good condition. Business at Captain Clarke having made a search for smug- Yale was not so brisk as it had been ...... There gled goods on the way to Port Angelos and be. will be a grand volunteer parade at New Westwas made on the passage over; about half past cricket match between the Sparrowhawk and minster on Coronation Day. The return nine was the latest hour I saw the steward; it | Westminster players was to take place on Satwas on the wharf; this was Thursday evening urday. The New Westminster Rifle Co., No. 1, have been challenged by the officers and men of H. M. S. Sparrowhawk to a trial of skill at the target.

> THE DIFFERENTIAL DUTIES AND THE MAIL Subsidy .- It is reported that despatches have been received from the Colonial Office, by the British Columbian Government, disallowing the Differential Customs' Act, and taking the Council to task for its Direct Steam Subsidy. The first is pronounced an unjust measure, and the last is characterized as useless and extra-

APPOINTMENT .- In the London Gazette of April 21st, 1866, appears the appointment of Simeon Jacob, Esq., as Solicitor-General of Cape Colony, including British Kaffraria. The appointee is a brother of Mr N. Jacob of this

Runaway-Two horses broke away together in harness from a buggy yesterday, and had a. neck and neck gallop down Fort street and through Broad street to Bowman's stables.

No News .- The telegraph wires being down this side of Portland we have no telegraph report to present to our readers to-day.

Union Rumons .- It is reported that a letter was received from London on Saturday which states that the Colonies will be united with Victoria as a Free Port and the Capital, and that a new Governor will be sent out.

MUTUAL LIFE INSURANCE COMPANY. - Mr Frank Tarbell, of this city, has received the appointment of agent for this well known life in surance company in Vancouver Island, British Columbia and Washington Territory.

FOURTH OF JULY-Celebrations will take place on the Fourth at Port Angelos and all the towns on the American side: At the last-named place Deputy U. S. Marshal J. C. Brown will, we understand, deliver an oration.

The steamer Sierra Nevada left on up all hands immediately, everybody, and inquired if any of them knew anything about it; they all denied it most emphatically; I what he wanted, he said that he had com was not before they were taken up on deck; all the men told me they were there; I mean the Saturday evening, at 7 o'clock, for New West men that were working on board; I know minster, and will return to morrow, leaving was wanted, he said that he had com was not before they were taken up on deck; all the men told me they were taken up on deck; all the men told me they were taken up on deck; all the men told me they were taken up on deck; all the men told me they were there; I mean the Saturday evening, at 7 o'clock, for New West men told me they were there; I mean the saturday evening, at 7 o'clock, for New West men told me they were there; I mean the saturday evening, at 7 o'clock, for New West men told me they were there; I mean the saturday evening, at 7 o'clock, for New West men told me they were there; I mean the saturday evening, at 7 o'clock, for New West men told me they were there; I mean the saturday evening, at 7 o'clock, for New West men told me they were there; I mean the saturday evening at 7 o'clock, for New West men told me they were there; I mean the saturday evening at 7 o'clock, for New West men told me they were taken up on deck; all the saturday evening at 7 o'clock, for New West men told me they were there; I mean the saturday evening at 7 o'clock, for New West men told me they were there; I mean the saturday evening at 7 o'clock, for New West men told me they were there; I mean the saturday evening at 7 o'clock, for New West men told me they were taken up on deck; all the men told me they were taken up on deck; all the saturday evening at 7 o'clock, for New West men told me they were taken up on deck; all the saturday evening at 7 o'clock men told me they were taken up on deck; all the saturday evening at 7 o'clock men told me they were taken up on deck; all the saturday evening at 7 o'clock men told me they were taken up

This steamship has safely