No. 2.

BRITISH COLUMBIA.

COPY of DESPATCH from Governor Douglas to the Right Hon. Lord Stanley, M.P.

(No. 24.)

Victoria, Vancouver's Island, June 10, 1858.

My Lord,

(Received August 9, 1858,) (Answered No. 8, August 14, 1858, page 47.)

1. Since I had the honour of addressing you on the 19th of May last, in reference to the Couteau Gold Mines, and the immigration of foreigners into Fraser's River, as well as the measures taken to assert the rights of the Crown to enforce the Revenue laws of the empire, and to protect the rights of the Hudson's Bay Company, I have, as therein proposed, made a journey to the Falls of Fraser's River, visited the gold diggings, and seen all the miners below that point; and I will now proceed to give a brief narrative of my proceedings, and the information gathered in respect to the auriferous character of the country in the course of that journey.

2. In consequence of the requisition for assistance made on Captain Prevost, Her Majesty's Ship "Satellite" was anchored off the mouth of Fraser's River, where I joined her on the following day, with the Hudson's Bay Company's propeller "Otter," in which we proceeded up Fraser's River, with the "Satellite's" launch and gig in tow, to Fort Langley, distant about 30 miles from the mouth of the river.

3. The Revenue officers found immediate occupation in the seizure of several lots of contraband goods, and taking 16 unlicensed canoes into custody. The latter being manned exclusively with gold miners, and containing only their mining tools, provisions, and personal clothing, without any merchandise for trade, I caused them to be released, granting a pass at a charge of five dollars to each canoe, and the amount, 80 dollars, so formed, was carried to account of the public Revenue. The contraband goods will be brought to trial on the 11th instant, under the 167th section of the "Customs Consolidation Act, 1853.

4. From Fort Langley we pursued our upward journey, in canoes manned chiefly by native Indians, and accompanied by Captain Prevost in his gig, manned with six of the

"Satellite's" seamen.

5. After journeying four days, we reached Fort Hope, the next establishment of the Hudson's Bay Company on Fraser's River, and about 80 miles distant from Fort

6. The actual gold diggings commence on a bar of Fraser's River about one mile below the point on which Fort Hope is situated, and from that point upwards to the commencement of the Falls, a distance of 20 miles, we found six several parties of miners successfully engaged in digging for gold on as many partially uncovered river bars; the number of whites on those bars being about 190 men, and there was probably double that number of native Indians, promiscuously engaged with the whites in the same exciting pursuit.

7. The diggings became sensibly richer as we ascended the stream as far as "Hill's Bar," four miles below the Falls, which is the richest point workable in the present high

8. The gold on those bars is taken entirely from the surface, there being no excavation on any of them deeper than two feet, as the flow of water from the river prevents their

sinking to a greater depth.

9. Mr. Hill, the party after whom the bar is named, produced for inspection the product of his morning's (six hours') work, with a rocker and three hands besides himself, the result being very nearly six ounces of clean float gold, worth one hundred dollars in money, giving a return of fifty dollars a day for each man employed. That return the party observed was the largest day's work he had ever made on Fraser's River, and he further remarked, that the same good fortune did not attend him every day.

10. The other miners whom I questioned about their earnings, stated that they were making from two and a half, the lowest, to twenty-five dollars, the highest usual return to

the man a day.

11. The greatest instance of mining success which I heard of in course of our journey fell to the lot of a party of three men, who made one hundred and ninety ounces of gold dust in seven working days on "Sailor's Bar," a place about ten miles above the Falls, giving a return of nearly nine ounces a day for each man employed.

12. Thirty miners arrived from the upper country during our stay at the Falls, with very favourable reports as to its productiveness in gold. They told me that they had prospected the banks of Fraser's River as far as the Great Falls, forty miles beyond the confluence of Thompson's River, and also many of its tributary streams, in all