

altogether a thing of the past. From that time forward the search for gold has been steadily carried on, with varying success. The last important development was the discovery of the Cassiar deposits, which still continue to furnish a fairly abundant yield.

In 1859, the grant to the Hudson's Bay Company having expired, Vancouver's Island became a Crown colony, with Victoria as its capital. Mr. Douglas was appointed Governor, and was invested with the dignity of a C.B. The same year ushered in the San Juan difficulty. A company of United States soldiers landed on the Island of San Juan, in the Strait of Juan de Fuca, and took possession of it as American territory, claiming that it had been ceded by the Oregon Treaty. The ensuing few months were months of great excitement. British ships of war were summoned from China, and anchored in the harbour of Esquimaux. The American force on the Island received numerous accessions, and for a time it seemed that war could not be averted. A single act of indiscretion on the part of Governor Douglas would unquestionably have plunged the colony into hostilities; but his judgment and tact were equal to the occasion. In course of time General Scott arrived from Washington as United States Commissioner, and he and Governor Douglas agreed upon a joint occupation until the dispute could be settled by arbitration. The island was finally ceded to the United States in 1872.

Meanwhile a Government had been organized in British Columbia, on the mainland, and placed in Governor Douglas's charge. Customs duties were imposed, and a considerable revenue collected; but not sufficient to make improvements or cheapen the cost of provisions at the mines by providing good roads. The Governor asked the Home Government for pecuniary aid, and was refused. In 1862 freight to Cariboo

was \$1 per pound, or \$2,000 per ton. All goods were carried on the backs of mules. Flour sold at \$2.75 a pound, and all other articles of consumption at a like exorbitant rate. Thousands left the diggings, unable to procure the simplest necessaries at any price. The Governor was sorely tried. He saw the people suffering, and had not means to afford them relief. At last he hit upon a plan which proved successful. He raised £100,000 in England by loan, and gave a company that offered to make a main trunk road from Yale to Cariboo—a distance of 400 miles—the privilege of collecting tolls on goods passing over the road for a limited number of years. Similar franchises were given to parties who bridged the streams, and in a single season goods at the mines fell to living rates. In 1863 the roads and bridges were completed and ready for traffic. Mule trains were disbanded and freight wagons substituted, and the mining population, with the advantage of cheap food, proceeded to develop the wonderfully rich mines of Cariboo. These roads will ever remain a monument to the enterprise of British Columbia's greatest Governor. In October, 1863, Her Majesty was pleased to confer upon him the distinguished honour and dignity of Knighthood as a mark of her appreciation of his public services. He had, it is true, despotic power; but he always used it to advance the country. He oppressed no one, but moved steadily on in the great work of organizing a Government from chaotic materials, and in improving the condition of the people. He was then governing two Provinces—Vancouver's Island and British Columbia—with two sets of officials, and a military man—Colonel Moody—residing at New Westminster, as Lieutenant-Governor. The Governor's position was incongruous. The mainland people charged him with building up Victoria at the expense of the mainland; and the Victorians accused him of favouring the Hudson's