In addition to this the Wesleyans had once a flourishing school in the village,

and still hold occasional services there.

Most of these Indians cultivate portions of their reserve on the Nanaimo River, some having houses and fruit-bearing orchards there, but as good wages can nearly always be obtained, few ever grow more crops than they require for their own use.

Very different to this is the appearance of the Victoria Indians, most of whom seem to have all the vices of the whites with none of their redeeming qualities; indeed the Soughees village is one of the most degraded on the coast, and I have little hopes of it ever improving until these Indians are removed from the neighborhood of temptations which it seems impossible for them to resist, and which are

undoubtedly bringing this once large tribe to a speedy and deplorable end.

I am happy to be able to report that, except in the neighborhood of Victoria, the Indian liquor traffic is entirely suppressed on the east coast of the Island. The parties formerly engaged in it seem now convinced that it is not such a paying speculation as it used to be. At the same time men will always be found willing to run considerable risks to gain the profits attending a trade of this kind, especially on a coast which presents so many advantages for escape from capture; and while the constables are only paid out of the fines imposed they can scarcely be expected to spend days in the capture of men whom they know will never be able to pay a fine.

The "Potlaches," once so common, are, I believe, gradually dying out. During the last year none of any importance have been held in this Agency, but as many of the chiefs now owe a considerable amount of blankets and other property to Indians of distant tribes, there will be one or two large potlaches given as a kind of final flash before the custom dies out entirely. Most of the chiefs have already promised me that they will only feed their visitors and return the property they owe, and not, as of old, lend more, thus continuing the custom indefinitely.

I have, according to your instructions, vaccinated at the different villages all the children and others requiring it. These already amount to nearly five hundred

but I cannot at present say how many will have to be vaccinated again.

During my last visit to the Soughees tribe I inspected the large building erected by the Department on this reserve for the accommodation of northern Indians visiting Victoria. The buildings were in good order, but did not seem to have been much used lately.

There were two cases of small-pox among the northern Indians at the time, but I am thankful to say this much dreaded scourge has not yet made its appearance

among other Indians.

I have dispensed a large amount of medicine during the year to the sick of the different tribes, and, judging from the distance they will travel to obtain it, I can only conclude that the results have in many cases been good, and that the old "medcine men" are losing power.

I have the honor to be, Sir, Your obedient servant,

W. H. LOMAS,

Indian Agent.