

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

On the contrary, should the diggings prove to be unremunerative, a question which as yet remains undecided, the existing excitement we may suppose will die away of itself, and the miners having no longer the prospect of large gains will naturally abandon a country which no longer holds out any inducement for them to remain.

Until the value of the country, as a gold producing region, be established on clearer evidence than can now be adduced in its favor,—and the point will no doubt be decided before the close of the present year,—I would simply recommend that a small naval or military force should be placed at the disposal of this Government, to enable us to maintain the peace, and to enforce obedience to the laws.

The system of granting licences for digging gold has not yet come into operation.

Perhaps a simpler method of raising a revenue would be to impose a Custom's duty on imports, to be levied on all supplies brought into the country whether by Fraser's or the Columbia River.

The export of gold from the country is still inconsiderable, not exceeding 600 ounces since I last addressed you. The principal diggings are reported to be at present, and will probably continue, flooded for several months to come, so that unless other diggings apart from the river beds are discovered, the production of gold will not increase until the summer freshets are over, which will probably happen about the middle of August next. In the meantime the ill-provided adventurers who have gone thither will consume their stock of provisions, and probably have to retire from the country until a more favourable season.

I shall be most happy to receive your instructions on the subjects in this letter.

No. 11.

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COPY of a LETTER from the Governor of the HUDSON'S BAY COMPANY to
Secretary SIR E. BULWER LYTTON.

SIR.

Hudson's Bay House, June 24, 1858.

I HAVE the honour to acknowledge the receipt of the Earl of Carnarvon's letter of the 22nd instant, stating your desire to be furnished with extracts of the letters lately received by the Hudson's Bay Company from Governor Douglas, on the subject of the gold fields on Fraser's River, and I beg in accordance therewith to transmit the accompanying copy of a letter from Governor Douglas, dated Victoria, April 27th, and extracts of his letters of the 19th and 30th of the same month.

I have, &c.

Sir Edward Bulwer Lytton, Bart.,
Colonial Office.

(Signed) JOHN SHEPHERD,
Governor.

Encl. 1 in No. 11.

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Victoria, Vancouver's Island,
April 27, 1858.

(Extract.)

I HAVE to communicate for the information of the Governor and Committee that the steam vessel "Commodore" arrived in this port on the 25th instant, direct from San Francisco, with 450 passengers, chiefly gold miners, who have come here with the intention of working the gold mines of the interior.

About 400 of those men were landed on the same day, and, with the exception of a few who left yesterday for Fraser's River, are now engaged in purchasing canoes and making arrangements for continuing their journey by Fraser's River into the Couteau country.

They all appear to be well provided with mining tools, and there seems to be no want of capital and intelligence among them. About 60 of the number are British subjects, with about an equal number of Americans, and the rest are Germans, Frenchmen, and Italians.

Though our little town was crowded to excess with this sudden influx of people, and there was a temporary scarcity of food and dearth of house accommodation, the police