

The Dominion Government could not by parliamentary enactment take the power to deal with the land within the Vancouver Island railway reserve. The land belonged to the Province, and was given by the Legislature to the Dominion Government in trust for specified purposes and upon specified conditions. It remains, therefore, only for the Dominion Government, upon accepting the trust, to carry out the conditions thereof.

It is not alone timber and pastoral land which requires to be opened for sale. There are at least two surveyed town sites within the island railway belt, and before the completion of the road it may be desirable to locate others.

It would be an absurdity to allow a settler to pre-empt and thereby acquire, at a dollar per acre, Newcastle and Maple Bay, the town sites referred to as having been already surveyed. At Maple Bay a considerable number of town lots were sold at the upset price of \$25 per lot, before the reserve was put on, in 1873.

Since the passage of the Settlement Bill parties wishing to acquire lots have enclosed the cash at the old rate for lots there, which I, of course, have had to return with the intimation that I had no authority, at present, to sell town lots. It is consequently desirable that parties who wish to buy town lots, in order that they may build and engage in business within the railway belt, should be encouraged to do so.

I feel assured that you recognize the importance of the matters I have referred to, and I believe that you are fully conversant with the facts and circumstances which I have adduced. I have therefore the honor to request that, as Dominion Government agent, and as one who has taken a deep interest in, and a leading part in the arrangement of the Island Railway measure, you will make such representations to the Dominion Government as may secure the advantages to the island which I believe will result if the lands are opened for sale in the way I have indicated.

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

WM. SMITHE, *Chief Commissioner Lands and Works.*

Hon. J. W. TRUTCH, C.M.G., Dominion Government Agent, Victoria, B.C.

OTTAWA, December, 1884.

SIR,—I have the honor to transfer to your Department herewith a communication received from the agent of the Dominion Government in British Columbia, dated the 27th ultimo, covering a copy of a letter addressed to him by the Hon. the Chief Commissioner of Lands and Works in that Province, by which it is asked that letters patent may be issued in favor of certain pre-emptors of lands within the railway belt, Vancouver Island.

The matter being one which concerns your Department, I am directed to take this action.

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

A. P. BRADLEY, *Secretary.*

A. M. BURGESS, Esq., Deputy Minister of Interior.

VICTORIA, B.C., 27th November, 1884.

SIR,—I have the honor to submit for your consideration the enclosed copy of a letter recently received by me from the Hon. Mr. Smithe, Chief Commissioner of Lands and Works of this Province.

I have informed Mr. Smithe by letter that his application will be duly communicated to you.

As I am to be in Ottawa early in January under directions from the Hon. the Minister of the Interior, I trust to have then an opportunity of receiving personally any instructions you may think fit to give me on the matters to which Mr. Smithe's letter relates.

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

JOSEPH W. TRUTCH.

Hon. JOHN H. POPE, Minister Railways and Canals, Ottawa, Can.