

acreage of the lands granted, all of which are within the railway belt, was appended to Mr. Drake's letter, and a copy of which is also enclosed herewith. I shall be glad to receive your instructions as to the further steps you may think advisable to be taken in this case.

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

JOSEPH W. TRUTCH.

Hon. Sir DAVID MACPHERSON, Minister of the Interior, Ottawa.

BETWEEN
IN THE SUPREME COURT OF BRITISH COLUMBIA.

The Attorney General of the Dominion of Canada,

Plaintiff,

and

The Chief Commissioner of Lands and Works,

Defendant.

(Writ issued 29th day of September, A. D. 1884.)

Statement of Claim.

1. The plaintiff is the Attorney-General of the Dominion of Canada, acting on behalf of Her Most Gracious Majesty; the defendant is the Chief Commissioner of Lands and Works of the Province of British Columbia.

2. In February, 1883, the Lieutenant-Governor of British Columbia, acting under and by advice of his Ministers, made a formal proposition to the Dominion Government for the purpose of effecting a settlement of certain open questions which existed between the Provincial Government and the Dominion Government, in respect of the Island Railway, graving dock and lands on the mainland. The proposition, with some modifications was, in substance, agreed to between the two Governments. The subject of the lands to be granted by the Provincial Government to the Dominion Government for railway purposes, in lieu of lands which had been disposed of in the railway belt, was one of the most important questions to be settled, and a large concession of lands on Peace River was made to the Dominion Government for this purpose, and at the same time it was proposed and agreed to that until the railway was finally located the Provincial Government should reserve from sale all lands in British Columbia east of Kamloops, in order that when the line was finally decided upon the Dominion Government would find the lands in the railway belt free from all other claims except *bona fide* purchases or pre-emptions made prior to the agreement between the two Governments.

3. In accordance with the agreement thus arrived at between the two Governments, an Act known as the Act relating to the Island Railway, the Graving Dock and Railway Lands of the Province, was passed by the Provincial Assembly, and assented to by the Lieutenant-Governor on the 12th May, 1883.

4. That Act was passed as a final settlement of all differences then existing between the Provincial and the Dominion Governments.

5. By it the Provincial Government purported to grant to the Dominion Government in trust, to be appropriated as the said Government might deem advisable, a tract of land not exceeding twenty miles on each side of the said line, wherever it might be finally located.

At the time of the passage of this Act the Canadian Pacific Railway was in course of construction in British Columbia from Port Moody to Savona's Ferry or Kamloops; the line from Kamloops to connect with the line on the other side of the Rocky Mountains was not decided upon.

6. Immediately upon the passage of the last mentioned Act the Dominion Government objected to certain clauses therein relating to the Island Railway, and required them to be amended, but no objection was then or at any time taken to the clauses relating to the lands on the mainland conveyed by the said Act to the