

with the importance of neglecting no means that can properly be adopted for effecting the speedy and amicable settlement of a question which cannot, without risk and obvious disadvantage to all parties, remain the subject of prolonged, and it may be acrimonious, discussion.

That it has occurred to him that as in the original terms and conditions of the admission of British Columbia into the Union, certain points were reserved for the decision of the Secretary of State, so in the present case it may possibly be acceptable to both parties that he should tender his good offices in determining the new points which have presented themselves for settlement.

That if both Governments should unite in desiring to refer to his arbitration all matters in controversy, binding themselves to accept such decision as he may think fair and just, he would not decline to undertake this service.

That the duty which, under a sense of the importance of the interest concerned, he has thus offered to discharge is of course a responsible and difficult one, which he could not assume unless by the desire of both parties; nor unless it should be fully agreed that his decision, whatever it may be, shall be accepted without any question or demur.

The Committee concur with the Secretary of State in regretting that a difference exists between the Dominion and this Province in regard to the railway, and that it is most desirable for all parties that all the questions in controversy should receive a speedy and amicable settlement, and they are of opinion that a reference to arbitration is the course of all others most likely to lead to so desirable a result.

They therefore advise the cordial acceptance by your Excellency of the arbitration of the Secretary of State, in accordance with the conditions laid down in His Lordship's despatch of the 18th June, 1874, and should this report be approved they recommend that the acceptance by this Government, on behalf of British Columbia, of the arbitration of the Right Honorable the Secretary of State for the Colonies, be immediately communicated by your Excellency to that Minister by telegraph and by mail, and that copies of such communications be transmitted simultaneously to the Secretary of State for Canada, for the information of His Excellency the Governor General.

(Certified.)

(Signed,)

W. J. ARMSTRONG,

*Minister of Finance, and
Clerk of the Executive Council.*

(Copy of Telegram.)

Lieutenant-Governor to Earl Carnarvon.

LONDON, 3rd August.

Colonial Secretary.

Upon advice of responsible Ministers, I accept on behalf of British Columbia Arbitration offered in your despatch to Lord Dufferin, eighteenth June. Please acknowledge.

(Signed,)

JOSEPH W. TRUTCH,

Lieut.-Governor, British Columbia.

Lieut.-Governor to Secretary State.

VICTORIA, B. C., 3rd August, 1874.

My Ministers request me to state for the information of the Governor General, that the following message, viz:—

“ LONDON, 3rd August.

“ Colonial Secretary.

“ Upon advice of responsible Ministers, I accept on behalf of British Columbia

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