The third chool could be established under some similar proposal to that male in the enclosed communication by the Bishop of New Westminster.

If the Government had the necessary buildings erected at Nicola, Kamloops, or any point in the interior where there is a good reserve of farming land, His Lordship's offer would be a reasonable one, and the expense to the Department would be similar in amount to that I have already indicated in my own estimate.

I do not approve of a governing council, as suggested by the bishop, but I think there should be quarterly reports and reports of inspection by the Government at any and all times, when deemed desirable.

Finally, I am assured that a very economical and acceptable arrangement can be made for, say, twenty male entrants at St. Mary's industrial school, and the same number of female, as the buildings, &c., are ready there.

At Kuper Island a beginning might, as proposed by Mr. Roberts, be made in a small way, with, say, twenty children, and I venture to suggest that an official enquiry should be made by the Department of the New England Company in London, England, direct, to ascertain the terms upon which an industrial school might be started and conducted at Kuper Island under its auspices. I should then, with your concurrence, be glad to make and complete arrangements with the Bishop of New Westminster (Anglican) for a third institution in the interior of the mainland. Unless the Government, however, were prepared to erect and furnish the necessary buildings, I do not think the bishop would have the available funds necessary. I regret that I have been unable to reply to your letter upon this subject before, but the Bishop of New Westminster having proposed to confer with me previous to writing to you, I have deferred my communication in the hope of seeing His Lordship here, especially as one of the objects in view was to learn the terms upon which one school might be carried on under the auspices of his mission. I have, however, received a telegram from His Lordship, informing me of his disappointment in not being able to meet me as intended; hence, I will no longer delay my own report, with the accompanying correspondence.

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

J. W. POWELL, Indian Superintendent.

Hon. the Superintentendent-General of Indian Affairs.

## DEPARTMENT OF INDIAN AFFAIRS, OTTAWA, 18th March, 1885.

MEMORANDUM.-The undersigned begs to submit herewith a letter of the 3rd inst., received on the 16th from the Indian Superintendent at Victoria, relative to the proposed establishment of industrial schools on Vancouver Island and in the interior of the Province of British Columbia; also copies of letters which accompanied the Indian Superintendent's despatch from His Lordship the Bishop of New Westminster, and from the Rev. R. J. Roberts, of Kuper Island, on the same subject. It will be observed from His Lordship's letter that he is prepared to undertake the charge of two industrial institutions, one for boys and the other for girls; that for the girls' school he will supply the building, to be erected on church property, within two years from the date of notification that his proposal is accepted; that he will also provide three teachers, free of charge on the Government for salary. The above to be done on condition that the Government grant \$500 towards furnishing the building when completed, and make an allowance at the rate of \$2.50 per week for each of the teachers, and for each Indian girl resident and boarding in the school; and \$1 per month for each Indian girl who may attend the school as a day scholar. The total cost on the above basis for twenty-five pupils and three teachers would be \$7,000 per annum.

With regard to the boys' school, His Lordship proposes to provide, free of all charge on the Government for salary, two clergymen teachers—one of whom shall be continually resident in the school—one lay teacher, and a resident medical man, provided the Government will erect, within two years from the date he is notified that his proposal is accepted, the requisite buildings on Government property, to