

the Supreme Court of *Canada*, of certain questions propounded, in order to obtain the advantage of the legal advice of the Court upon the points thus adversely decided by the Provincial Court. The answers of the Supreme Court of *Canada* to these questions had been transmitted to the Lieutenant-Governor of the Province for the information of his Ministers and of the Judges, in advance of my leaving *Ottawa*, and in this way the ground was a good deal cleared as regarded this object of my visit. I took early occasion to see the several Judges of the Supreme Court of *British Columbia*, and discuss the matter with them, and also with Mr. *Smiths* and the members of the Government.

Another difficulty has been created in regard to the powers which one of the Statutes of the Province proposed to confer upon Gold Commissioners, which powers seemed to Your Excellency's advisers to be of a judicial character, and therefore only to be granted by the Government of the Dominion. The subject was further complicated by disputes which had arisen at *Metlakatla*, showing the necessity of having a Stipendiary Magistrate there, and probably, also, at several other points in the Province.

All these embarrassments were happily adjusted by the course finally agreed on between the Government of the Province and myself, under which Mr. Justice *McCraith* is to be assigned to the District of *New Westminster*, Mr. Justice *Walkem* to the District of *Kamloops*, and an officer who is to be at the same time County Court Judge and Stipendiary Magistrate for *Cariboo* and *Lillooet*, to be appointed by the two Governments—that of the Dominion paying the salary of Judge, and that of the Province the salary of Stipendiary Magistrate. This arrangement will leave a Supreme Court composed of three members, the Chief Justice, Mr. Justice *Crease*, and Mr. Justice *Gray*, at *Victoria*, the seat of the Court, for transaction of business at the Capital and on the Island of *Vancouver*.

I have the honour to submit herewith a memorandum, dated the 20th of August, embodying the agreement between the two Governments on the various points referred to.

I have to report further, for the information of Your Excellency, that I executed at *Victoria*, on behalf of the Minister of Railways, a provisional contract for the construction of the Island Railway, and that Messrs. *Robert* and *James Dunsmuir* and *John Bryden* executed it on their own behalf, and deposited with me \$250,000 required as security for its performance. I afterwards proceeded to *San Francisco* and procured the execution of the contract there by the remaining contractors. The contract, thus executed, I transmitted from *San Francisco* to the Agent of the Dominion Government in *British Columbia*, Mr. *Trutch*, to be held by him, in accordance with the terms of the memorandum, until such time as the necessary legislative authority should be given by the Parliament of *Canada* and the Legislature of *British Columbia*. I enclose herewith a copy of the contract.

I have the honour further to state that, prior to leaving the Province, I instructed Mr. *Trutch* to take over from the local authorities, on behalf of the Dominion, the Graving Dock, and to take such steps as were necessary for the safety of the work and materials on hand and the plant.

The Minister of Public Works has, I understand, since received an intimation from Mr. *Trutch*, that he has assumed possession of the work accordingly.

The petition for the disallowance of the Act to incorporate the *Columbia* and *Kootenay* Railway and Transportation Company, referred to by an order of Your Excellency in Council on the 14th of June, I have reported upon in a separate paper.

During my stay in *British Columbia* I had occasion to examine into a number of matters for the different Departments of the Government, and to report on them to several of my colleagues, as per margin.

The whole humbly submitted.

A. CAMPBELL,
Minister of Justice.

OTTAWA, 25th September, 1883.