North America Act, self-governing powers have been conferred upon Canada in many most important respects, and Her Majesty's Government may on these points be more correctly defined as representing the United Kingdom than the Empire at large. In considering many questions of the highest importance, such as the commercial and fiscal policy of the Dominion as affecting the United Kingdom, the promotion of Imperial interests in the administration and settlement of the interior of the Continent, and on many other subjects, indeed on all matters of internal concern, the Imperial Government and Parliament have so far transferred to Canada an independent control that their discussion and settlement have become subjects for mutual assent and concert, and thereby have, it is thought, assumed a quasi-diplomatic character as between Her Majesty's Government representing the United Kingdom *per se* and the Dominion, without in any manner derogating from their general authority as rulers of the entire Empire.

The Committee would further respectively submit, in elucidation of the views contained in the memorandum, that the Government of Canada, in respect of negotiations with foreign powers, in no respect desire to be placed in the position of independent negotiators. On the contrary, they are fully convinced that it is through the influence and support of Her Majesty's Government, and by the effective use of their carefully trained and thorough diplomatic service that they can alone look for any measure of success. And it is with the view most thoroughly to satisfy foreign governments of the identity of interests of Her Majesty with themselves that they have so strongly sought the most official recognition possible for their representative. And in making their suggestion on this point, the Committee have had in mind the position assigned to the delegates from Canada in 1865 and 1866, which was that of belonging to the diplomatic corps, taking precedence after the foreign Ministers.

As the representative of Governor General and Executive Government of Canada, and especially when dealing with negotiations with any foreign powers, the duties of the proposed officer will, the Committee consider, be of a nature more analogous to diplomatic than to home service, but they confidently leave this subject in the hands of Her Majesty's Government, resting on the assurances conveyed in the despatch under consideration that Her Majesty's Government will accord to their representative a status in every way worthy of his important functions.

The officer will certainly primarily communicate with the Secretary of State for the Colonies on the various subjects on which he may receive instructions to address Her Majesty's Government, and the Committee do not doubt that every consideration will be given to such representations as he may make on behalf of the Canadian Government.

The Committee entirely agree that it will rest with the Secretary of State for Foreign Affairs to determine in each case in what precise capacity the services of the Canadian Officer can be best rendered in the event of negotiations with Foreign Courts on subjects affecting the interests of the Dominion. Manifestly it would not be the desire of the Canadian Government, that in every case their representative should be personally associated with the British Minister at the Foreign Courts, but only in such cases as might from their importance require it. On this point the Committee are fully assured that the Secretary of State for Foreign Affairs will meet their reasonable wishes as has been done in the cases cited.

The Committee understand, however, that in all cases of commercial treaties Her Majesty's Government will direct early communication to be made to the Canadian representative so as to permit him to take the instructions of his Government, and to make such representations as may be called for to Her Majesty's Government.

With reference to the designation of the proposed officer the Committee desire to accept the suggestion of Her Majesty's Government. As, however, Commissioners are very frequently appointed for special services of minor importance, it is considered desirable to make the appointment to London distinctive by styling the officer "High Commissioner of Canada in London," the Committee on this point being convinced that in reference especially to Foreign Governments the designation and status are of real importance.

It is intended to create the office under statute at the next Session of the Canadian Parliament; but should the public service require an earlier appointment, the Committee confidently rely on Her Majesty's Government giving immediate effect to the views expressed in the despatch from the Secretary of State for the Colonies, which, it is believed, are correctly understood by the Canadian Government.

Clerk, Principal Council, Canada.