

authorized by Orders of Your Excellency in Council, under dates of 14th and 23rd June last, to visit *British Columbia* to make arrangements relative to the various points remaining unsettled between the Government of the Dominion and that of the Province of *British Columbia*. The Committee concur in the said Report and the several matters proposed to be carried into effect, and they submit the same for Your Excellency's approval.

JOHN J. MCGEE.

OTTAWA, 25th September, 1883.

To His Excellency the Marquis of Lorne, P. C., K. T., G. C. M. G., Governor General of Canada :

MAY IT PLEASE YOUR EXCELLENCY :

I have the honor to submit for your information a Report on my visit to the Province of *British Columbia*, for the purposes mentioned in the Order of Your Excellency in Council of the 23rd of June last.

After some delay at *San Francisco*, I reached *Victoria* on the 27th of July, and immediately waited upon His Honor the Lieutenant-Governor of the Province, on the subject of my visit. I was most cordially received and placed by him in communication with his Ministers. The Lieutenant-Governor, throughout my stay, lent me valuable aid in my efforts towards establishing those relations with the members of his Government, which were so essential to the success of the mission with which Your Excellency had entrusted me.

1. The negotiations between the Government of the Dominion and that of *British Columbia* in regard to the construction of the *Vancouver Island* Railway and the taking over of the Graving Dock commenced by the Province on *Esquimalt* Harbour were prolonged late into last Session of Parliament. Unfortunately they had been conducted very much by telegraphic communications, and their successful issue was hindered by difficulties which might not have arisen, or might have been readily removed, had the more ample opportunity afforded by personal intercourse been possible.

At repeated meetings of the Executive Council, and at many interviews with individual members of the Government—particularly with Mr. *Smithe*, himself—that gentleman and his colleagues discussed with me, in a spirit of the greatest frankness, the misunderstandings which had occasioned the postponement of the negotiations of last winter, and, animated by a sincere desire to overcome them, we found from day to day, reasonable solutions of the various points in dispute.

2. The Railway Belt on the Mainland.—The change in the route of the Canadian Pacific Railway to the more southerly pass, which it is now intended to occupy, rendering it expedient to effect a change of the location of the railway belt. The Government of *British Columbia* had not admitted that there was any obligation on their part to assent to such a change, and had contended that they had performed their whole obligation in granting the belt along the line as originally proposed. We were happily able, however, in view of what we were mutually ready to concede in respect of other parts of the general arrangement, to arrive at an understanding by which the railway belt was transferred to the new line and the grant made absolute in its terms, the Government of the Dominion undertaking, through me, to place the land thus acquired in the market for sale to actual settlers at an early day.

In this connection I have the honor to state that instructions were given to Mr. *Trutch*, the Agent of the Dominion in *British Columbia*, to take at once the initiatory steps necessary to carry out this understanding.

3. The Act of the Legislature of the Province assigning districts to the Judges of the Supreme Court of the Province had been pronounced by the Court there as *ultra vires*, a result which led to the submission, by command of Your Excellency, to