

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 Harbor 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 and the more southerly pass which it is now intended to occupy, rendered 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 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 the Supreme Court of Canada of certain questions propounded, in order to obtain the advantage of the legal advice of the courts upon the points thus adversely decided by the provincial courts. 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 regards this object of my visit. I took early occasion to see the several judges of the Queen's Bench, and discussed the matter with them, and also with Mr. Smithe and the members of the Government. Another difficulty had 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 Parliament 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 McCreight 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 Lilloet, to be appointed by