

Herewith is a delayed recommendation to Council for disposal of the Indians' interest in a right of way for the electric railway line of the Vancouver Power Company Limited through Indian reserves Nos. 1 and 2 of the Matsqui band, B.C.

These reserves are in the railway belt, and doubt existed as to the powers of the Commission as regards reserves so situated. According to an opinion of the Department of Justice, however, the Commission had no authority under the terms of the agreement between the representatives of the two Governments to deal at all with land within the railway belt. (The Minister will remember that the claim of the province originally related only to reserves outside of the railway belt and those set apart before the transfer of the railway belt in 1883; but that more recently the province began to claim a reversionary interest also in reserves within the railway belt. Even though the Justice Department did decide that the Commission had no authority to deal with reserves within the railway belt, this Department thought it would be useful to have a report from the Commission covering the reserves within the railway belt uniform with their report on the other reserves, and the Commissioners were therefore allowed to examine and report on reserves in the railway belt. The Commission's final report therefore covers the reserves inside and outside of the railway belt - but has not as yet been confirmed by the two Governments). This right of way