

to which I desire to draw special attention. Indians visiting the Rocky Mountain House during the Fall of 1870, have spoken of the existence of a trading post of Americans from Fort Benton, upon the Belly River, sixty miles within the British Boundary Line. They have asserted that two American traders, well known on the Missouri, named Culverston and Healy, have established themselves at this post, for the purpose of trading Alcohol, Whiskey, and arms and ammunition of the most improved description, with the Blackfeet Indians; and that an active trade is being carried on in all these articles, which it is said, are constantly smuggled across the Boundary Line by people from Fort Benton. This story is apparently confirmed by the absence of the Blackfeet from the Rocky Mountain House this season, and also from the fact of the arms in question (Repeating Rifles) being found in possession of these Indians. The town of Benton on the Missouri River has long been noted for supplying the Indians with arms and ammunition, to such an extent has this trade been carried on, that Miners in Montana, who have suffered from Indian attack, have threatened on some occasions to burn the stores belonging to the traders, if the practice was continued. I have already spoken of the great extent of the Blackfeet country; some idea of the roamings of these Indians may be gathered from a circumstance connected with the trade of the Rocky Mountain House. During the spring and summer raids which the Blackfeet make upon the Crees of the middle Saskatchewan, a number of horses belonging to the Hudson's Bay Company, and to settlers are yearly carried away. It is a general practice for persons whose horses have been stolen to send during the Fall to the Rocky Mountain House for the missing animals, although that station is 300 to 600 miles distant from the places where the thefts have been committed. If the horse has not perished from the ill treatment to which he has been subjected by his captors, he is usually found at the above named station, to which he has been brought for barter in a terribly worn out condition. In the appendix marked B will be found information regarding the localities occupied by the Indian tribes, the names of the principal chiefs, estimate of numbers in each tribe, and other information connected with the aboriginal inhabitants, which for sake of clearness I have arranged in a tabular form.

It now only remains for me to refer to the last clause in the instructions under which I acted before entering into an expression of the views which I have formed upon the subject of what appears necessary to be done in the interests of peace and order in the Saskatchewan. The Fur trade of the Saskatchewan District has long been in a declining state, great scarcity of the richer descriptions of furs, competition of free traders and the very heavy expenses incurred in the maintenance of large establishments, have combined to render the District a source of loss to the Hudson's Bay Company. This loss has, I believe, varied annually from £2,000 to £6,000, but heretofore it has been somewhat counterbalanced by the fact that the Inland Transport Line of the Company was dependent for its supply of provisions upon the Buffalo meat, which of late years has only been procurable in the Saskatchewan. Now however that buffalo can no longer be procured in numbers the Upper Saskatchewan becomes more than ever a burden to the Hudson's Bay Company; still the abandonment of it by the