There are large numbers of boys and girls growing up in these camps, and, unless taken in hand, will be perfectly useless members of society, and not only useless, but dangerous.

In sending in this year's estimates I have applied for many things not before requisitioned for, but the requirements are not nearly so great as formerly. The fact of the two supply farms being closed will considerably reduce the expenditure and

give us many more horses and tools to use on the reserves.

Returning to the subject of the railroad running through the northern district next summer, some of our Indians, Sarcees or Stoneys, could be employed with advantage on the road, and others could be hired to cut tie timber either on the reserve (Stoney) or on other limits. The Stoneys are good axemen and so are the Sarcees. These Indians could easily be employed at this work, thereby earning their living and taking a burden off the Government.

While writing this report I have received word from the Blackfoot Crossing, that while most of the Blackfeet were either here or at Calgary spending their annuity money, a raid was made on their horses at the Crossing by Crees from or

near Cypress Hills, and twenty horses were run off.

Now, as the Blackfeet have on no occasion this summer been out stealing horses, and the chiefs have done their best to keep the young men at home, it is greatly to be regretted that this has occurred, and unless the Crees, who do nothing in farming, but (as I know from experience of those at and near Cypress) are the most lazy good-for-nothing Indians in the country are checked with a strong hand, the Indians in this Agency will start out as in old times and steal horses. The same thing occurred last spring when the Bloods went to Cypress, and now it has commenced again with the Blackfeet. The Crees who are at Cypress, beg the Government for food and their annuities, and all they do is to raid the country after horses.

If this continues, it will be impossible for me to keep the Blackfeet on their reserve, and then there will be an end to work and the good done this summer will be thrown away. I speak strongly on this subject as it is a serious one. The Blackfeet value their horses, and if stolen by their old enemies the Crees, it will be hard to keep them from retaliating. If they are left alone, I can almost guarantee their working—learning farming, and in a few years being self-supporting. If these horses are recovered it will be well, but this is doubtful. The Bloods recovered none of theirs last spring, and when they went out and stole horses themselves (which were taken away from them), they said: "How is it we have to give up horses stolen while we cannot recover ours from the Crees?"

In writing this report I have had so many subjects to deal with, that it has been impossible to touch but lightly on many of them. I have, however, endeavored to show the progress of the treaty since last spring, and the future prospects of the Indians, I think, are bright, if the same improvement continues that has been going on this summer.

I have the honor to be, Sir, Your obedient servant,

> C. E. DENNY, Indian Agent.

WINNIPEG, 9th December, 1882.

The Right Honorable
The Superintendent-General of Indian Affairs,
Ottawa.

SIR,—I have the honor to report that I arrived in Treaty 7 on the 10th May having taken in with me from Ontario twenty young men as farm laborers. I at once distributed them amongst the Supply Farms and reserves in such a manner as to meet, as nearly as possible, the wishes of the Indian Agent.