the apathy of the parents, and gaining a continuous attendance on the part of the pupils. In all cases where practicable the agent has directed that no rations be issued to absentees from school, but the cry is, in winter, shortness of clothing, in summer, retained by parents to work or taken on hunting tours. The school houses at Moosomins and Frog Lake are but recently erected, and are good, substantial buildings. It is questionable whether it is advisable to attempt keeping schools open during summer months on most of the reserves, for a greater benefit might be derived by having the children's attention given exclusively to light manual labour. The industrial school, proposed to be established in this district, will, no doubt, be beneficial to the welfare of the children.

I append a statement, similar to that of last year, as far as the information has reached me, showing progress made on reserves and farms. As a large portion of the grain has not been threshed, it is impossible to make a detailed estimate of the

crop.

The food raised on the reserves will assist us, to some extent, in keeping down the cost of feeding the Indians. It will of course be readily understood that it is impossible to deal with the produce raised from the reserves in the same manner as if a like quantity of supplies were under our immediate control. Indians, when they have plenty, will consume largely, but I estimate that a saving of 20 per cent. will be made in consequence of the good yield on the reserves and farms; but, in considering what will be required for the coming year, it must be recollected that, in all probability, we shall have from 4,000 to 5,000 more Indians on our hands, who will require to be fed until they are in a position to raise food for themselves on their reserves.

I, therefore, cannot assure you that there will be any material decrease in the cost of Indian management in the North-West Territories the coming year. Some 3,000 or 4,000 have this summer joined their reserves. I forward a statement which will show this as well as the whereabours of others absent from their reserves.

I am still conducting the Indian business in the North-West Territories, in Winnipeg, but I anticipate being able to remove our Head Office to Regina, early in the spring. I have requested Mr. Wadsworth to inspect our Head Office, and he will report to you in reference to it, when you will see that the business of my Head Office is rapidly increasing, and I expect to be obliged to apply for further assistance to enable me to carry on the work of the office satisfactorily.

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

E. DEW DNEY,
Indian Commissioner.