That reply contains a very full statement of the proceedings which have taken place with reference to the lands in question since the year 1840. perceive that the Indian Department, honourably supported, I am bound to say, by the Government and Legislature of the province, has, throughout the transactions which are the subject of complaint, been engaged in defending the rights of property on behalf of persons who, both on the ground of former services and present dependance, have special claims on the protection of the Crown, and that the only point in which I have deviated from the course followed by my predecessors in this matter, consists in the greater extension which I have given to the principle of compensation to squatters; such compensation having been awarded under instructions from me to individuals who would have been excluded by the rule laid down by Earl Cathcart.

3. I therefore sincerely trust, sir, that on the perusal of these papers you will be satisfied that the persons on whose behalf Mr. Fraser has appealed to you, have no claim to support or countenance from Her Majesty's Imperial Government, so long as they maintain their present attitude of resistance to law and Indian rights. A distinct intimation of your judgment to this effect will have, I doubt not, considerable influence in inducing them to relieve the Government from the painful necessity of having recourse to severer measures, by retiring spontaneously from the Indian reserve; a course which, as the statement herewith enclosed shows, was adopted long ago by the large majority of the original squatters.

> I have, &c. (signed) Elgin & Kincardine.

## Enclosure 1, in No. 2.

Each 1, in No. s.

The Right Honourable James, Earl of Elgin & Kincardine, K. T., Governor-General of British North America, &c. &c. &c.

May it please your Excellency,

The memorial of the undersigned respectfully showeth, that in the year 1839, an Act of the Provincial Parliament, the 2 Vict. c. 15, was passed, protecting the unsurrendered Indian lands from trespass and injury.

That on the 27th November 1840, an Order in Council was passed, granting pre-emption

rights to the white occupiers of Indian lands on the Grand River.

That on the 18th day of January 1841, the Indians surrendered to the Crown, for the purpose of sale, all the lands on the Grand River, except a few acres near the town of Brantford, which they directed to be leased. That the Indians afterwards surrendered the latter portion also, which has since been sold, thus making the surrender of the whole

That the whole of the said lands were, under instructions from the Surveyor-general's Department, directed to be surveyed, and the Government authorised their appraisement. That they were so surveyed into farm lots and appraised.

That by the surrender the said lands were taken out of the control of the Indian Depart-

That by 8 Vict. c. 7, these lands were divided into and declared townships, for judicial, municipal, and all other purposes.

That under the said surrender several townships were thrown open for sale, and disposed

That in ignorance of the altered character of these lands by the cession to the Crown for the purpose of sale, the Indian Department, subsequently to the Government of Sir Charles Bagot, and a portion of the time of Lord Metcalfe, has not ceased to exercise control over a portion of these lands; namely, in Oneida and Tuscarora, as if the said lands were in their original unsurrendered wilderness state, by prosecuting, under the 2 Vict. c. 15, aforesaid, the parties in whose favour the said Orders in Council were passed, and others who took possession under assurances and directions from the officers of the Indian Department and Government, the lands having been surrendered for the purpose of sale.

That many of your memorialists, in perfect reliance in the many acts and declarations of the Government, have become the purchasers or occupants of lands in the adjoining townships, and have been long deeply injured by a tract of 65,000 or 70,000 acres so kept in a semi-wilderness state, not only depriving them of roads to valuable markets, but inflicting other injuries which have been repeatedly brought before the attention of the Government.

That in the year 1848 the Gore District Municipal Council also memorialized the Govern-

ment, giving a very clear elucidation of the case; copy of which is enclosed

That notwithstanding the Government were so repeatedly memorialized on the subject, and the illegality of the prosecutions against the settlers, no attention whatever was given to said memorials, except a reference of them to the Indian Department, which had no legal right to adjudicate on the question.

1003.