^{some} changes were thereby rendered necessary. The Emerson office was entirely closed up, the remaining business connected with it transferred to the Winnipeg ^{agency}, and the Portage office removed to Gladstone, nearer the centre of the section of country to be served by it. It was further thought desirable to establish more direct and rapid communication between the various local agencies and the Department, and the office of chief agent at Winnipeg, through whom the correspondence and general business with the district offices was previously conducted, has accordingly been abolished. The district agents now report to the Department direct, and the disadvantages which might arise from their great distance from the controlling power have been overcome by the appointment of an Inspector, who, in addition to exercising general supervision over the land business of the Department, is empowered to represent the head of the branch in the conduct of investigations and settlements which might otherwise demand the presence of that officer in person. The system has been found so far, I am informed, to work advantageously.

In consequence of the changes referred to, the Department has been placed in a Position to make considerable reductions in the staff of the Winnipeg office, and to send to the new local agencies a set of officers trained for the duties they are called ^{upon} to perform in their new positions.

The Winnipeg agency is now, therefore, charged with the business of a local character remaining to be done in the older settlements of the Red River, and also forms a sort of central bureau to which new arrivals naturally gravitate for information and advice. Acting in accordance with the dictates of experience, steps were taken early in the past season to go further than merely supplying immigrants with information and advice, and a number of persons were selected, on account of their knowledge of the country and their experience of the trails and modes of travelling, to act as land guides. The duties of those guides were to assist the intending settlers in reaching their various destinations, to facilitate the selection of lands suitable to their requirements and circumstances, and to aid and direct them in entering into possession of their homesteads. The experiment has been successful, and it is proposed to continue it.

In the course of the summer, Professor John Macoun, of Belleville, under instructions from this Department, proceeded to make an exploration of the section of country embracing the great Souris Plain and the territory between it and the Cypress Hills, also between the latter and the South Saskatchewan, with a view to ascertain the capacities of those districts for agricultural and pastoral purposes. The result of his enquiries, briefly stated, is to show that what has hitherto been regarded as an arid plain contains much productive land, that the rainfall is sufficient, and that the extreme winter frosts, instead of being a drawback to the cultivation of crops, are calculated to contribute to the success of farming operations, the very gradual evaporation resulting from the thawing of the strong clay subsoil furnishing