First.—With regard to the system of paying the Annuities, your Committee are not prepared to recommend any change at present. They are of opinion that the mode described by Mr. Jarvis, of paying them in commodities, which are generally useful to the communities, and have a tendency to domesticate them, and promote the practice of Agriculture, a mode happily, as it appears, originating in the good sense of the Indians themselves, ought to be continued.

The changes recommended by your Committee under other heads will, they trust, have the effect of rendering such system still more agreeable and beneficial to the Indians.

Secondly.—As to the mode of taking care of the Indians' Lands, and whether great alterations and improvements might not be effected, much to the advantage of the Indians, your Committee have already, in the body of their Report, entered at great length into this perplexing subject, and are strongly impressed with the opinion, that so entire a change not only in the preservation, but in the appropriation of the Wild Lands, must be effected before any material improvement in the social condition of the Indians can be hoped for, (schemes in relation to which, your Committee will submit in their Report upon the best means of ameliorating their condition generally,) that they, for the present, avoid recommending any partial alterations, and confine themselves to the protection of their property, against the evils predicated in the,

Third branch of this inquiry.—As to the course to be adopted with respect to Squatters upon Indians' Lands. These may be divided into two classes—First, of those who have taken illegal possession of the Land, either under some pretended license from individual Indians, or without even such colour of title, for the purpose of farming alone, and have cleared and cultivated, and built upon the Land.

Secondly. Such, whose illegal possession is accompanied by circumstances of a still more objectionable nature—such as cutting and plundering the valuable Timber—keeping houses for the sale of spirituous liquors, and otherwise disseminating the vices, into which the Indians so easily fall, and which are the real source of much of their destitution.

The first class by the valuable improvements upon and attached to the Lands, have given a sort of security for their ultimately making to the Indians full compensation for their temporary usurpation, and their cases may for the present be postponed, and taken into consideration in connection with the scheme above alluded to.

There were numerous instances of such upon the Lands surrendered to the Crown, and conveyed and sold for the Indians' benefit; these lots were valued with the improvements, and the intruders had the privilege of pre-emption, at the price fixed by the Government. If abandoned, they were of course, with their increased value, put up to public competition.—This rule might be beneficially followed again, whether the Lands be leased or sold.

The second class of Squatters, your Committee conceive to be entitled to no consideration, but that the Commissioners appointed under the Act for the protection of Indian Reserves, ought to be instructed promptly to enforce the law against them.

The great difficulty hitherto felt in getting rid of those trespassers was, that after the forms of the law had been carefully followed, and the intruder ejected by the Sheriff, a few weeks, or even days only, would elapse before he was back, and as completely in possession as ever. This fact (as the Chairman of this Committee is aware) occurred repeatedly upon the Indian Reserves in Tyendinaga, where valuable locations, on the great Eastern Road, were for many years maintained, with so successful a pertinacity, as almost to draw contempt upon the administration of the law. But the Act in question having provided a summary penalty for resuming possession after being duly removed, it is hoped that its powers will be found sufficiently efficacious for the purposes contemplated.

It may be proper here to notice, in reference to Mr. Sullivan's recommendation, that his Deputies should be appointed Commissioners under the Act, that the Chief Superintendent, and Deputy Indian Superintendents, are already appointed, especially with a view to the Indian interests; but that as the Statute extends to all the Crown Lands generally, whoever are commissioned for their general protection would, of course, have jurisdiction over the Indian Reserves, and might, whenever necessary, be aiding and assisting in the correction and prevention of the abuses thereon, which the Legislature desired to remedy.