

warrant, enabled the Department to meet the payment due to the absentees from the annuity meeting of the previous year.

The unexpected return of so many Indians necessitated a large over-expenditure of provisions provided for the annuity payments; and as they were entirely destitute owing to the disappearance of buffalo, the Department was obliged to furnish them with rations (together with all the other Indians of Treaty No. 7) for fully nine months, at a cost of about \$35,000 per month, or \$315,000, for which no provision was made in the original grant, the Departmental grant having been reduced by \$306,000. In distributing the amount granted under His Excellency's warrant of 26th May, amongst the several sub-heads of the appropriation, an effort was made to anticipate the probable over-expenditure in each case; this effort failed, however, owing to circumstances which the Department could not control, and therefore the sums shown as unexpended in items *f*, *n*, *q* and *s* might have been used to reduce the over-expenditure on account of "Supplies for destitute Indians."

*g*. This estimate was based on the probability of a certain number of Indians applying themselves to agriculture, a subject on which no very close approximation can be formed.

*h*. This estimate was as close as was possible.

*i*. Over-expended in consequence of a slight advance in the contract rates for cattle as compared with the prices of the previous year.

*j*. On this sub-head no very close estimate can be made, the expenditure depending on favorable weather for harvest operations; the safe housing of grain and roots, and the quantity of seed for the coming year which the Indians can be induced to save.

*k*. Estimated as closely as was possible.

*l*. The intentions of the Department with respect to the establishment of Industrial Schools in the North West Territories (for which schools this estimate was intended to provide), could not be carried into effect in 1881-82.

*m*. This over-expenditure was caused by the Department having been called on to pay a balance due on the survey of reserves in Treaty No. 7, in 1879.

*n*. The apparent under-expenditure is due to the fact that in distributing the amount of the Governor-General's warrant of 26th May, a larger sum than that proved to be necessary was placed to the credit of farm wages.

*o*. This under-expenditure is no doubt the result of the crops raised on the farms having largely contributed to the rationing of the laborers.

*p*. The \$4,000 estimated for the Sioux on the North Saskatchewan, was not required in 1881-82, although it may be needed next year.

*q*. This estimate was as close as was possible under the circumstances.

*r*. Commissioners headquarters not decided on, and buildings not erected.

*s*. Estimated as closely as was possible.

L. VANKOUGHNET,

*Deputy Superintendent-General of Indian Affairs.*

OTTAWA, 20th July, 1881.

*Accounts, 1880-81; Vote, 166; Grants to Schools, B.C.*

SIR,—The grants made to these schools seem to be under the authority of an Order in Council of 7th April, 1874, which provides for the following:—Nanaimo, with 50 pupils, \$250 per annum; St. Mary's, 42 pupils, boarded, \$350 per annum; Metlahkathla, 304 pupils, \$500 per annum; Metlahkathla, allowance for school-house, \$200; and seven other schools not named, \$300 per annum, each under the following conditions, viz:

1. Grants to be made only so long as the average attendance does not fall below thirty.