did not succeed, being too closely watched by the police. The man was afterwards arrested and was tried before Major Crozier and myself, but as a great doubt existed

as to his having liquor on this side of the line, he was released.

That is the only case of liquor being among the Indians this summer. The Indian payments commenced this year on the 25th of September at the Blood Reserve, I being present, and Mr. Snb-Agent Pocklington paying the Indians. This payment went off very successfully. We made a reduction on last year's payments, finding several cases of duplicate tickets. Not one question arose during the whole payment, which was finished in three days, \$18,110.00 being paid out. I had new ration tickets issued to correspond with the pay tickets. The Piegans were paid at the same time by Mr. Assist.-Inspector McHugh. They received \$4,435.00, something less than last year. During this payment a portion of the Agency buildings caught fire from a defective fireplace and two of the buildings were burnt down, together with 700 sacks of flour, some tools, &c. The men and Indians did their best to save the property. Had it not been for their exertions much more flour would have been lost. I had an investigation on the matter, a report of which was handed to the Assistant Commissioner. I shall try to get on without extra flour on this reserve, as the Indians have large quantities of vegetables.

After the above mentioned payments I proceeded to the Blackfoot Crossing to pay the Blackfeet. I anticipated a good deal of trouble, as last year a very large number more were paid than really were in the tribe. This was owing to many causes which have already been reported on, but the fact remained that during the winter nearly 3,000 Indians were at first drawing rations on this reserve, which was at last brought down, when I took over the Northern Agency, to nearly 2,500 people. This was considerably above the real number, but it was most difficult to reduce them, as of course they stuck to the number on their pay tickets, and it was almost impossible to count them, as they would send children from one house or lodge to another if an actual count were being made. Besides this number drawing rations a great many held duplicate pay tickets on which they were not drawing rations, and they were keeping these until the next payment time, when they intended to produce them. Many false names were given last year, and altogether it was a very difficult matter to deal with. I paid these Indians myself, and after three days of the hardest kind of work, but with no trouble whatever from the Indians except their doing their best to get paid on the numbers of last year, I reduced them to nearly their proper number. The total number paid by me, including a considerable number of arrears, was 2,292, and the amount paid with arrears \$11,660.00, against last year including arrears nearly \$30,000.

I remained a day at the Crossing after the payments and had no after claims. Before my leaving the chiefs who were in council sent for me, and all shook hands and expressed themselves as well satisfied with the payments. The police rendered us the greatest assistance at all the payments, and the detachment at the Crossing, under Inspector Dowling, was put to a great deal of inconvenience, by a delay

on my part caused by a heavy snow storm in getting to the Crossing in time.

We were furnished with escorts to all the payments, and in every case thanks are due the officers and men for the help rendered. This Agency will be paid this year by or a little under \$40,000, and I hope next year a further reduction will be made among the Bloods, as I shall this winter try and have a more correct census made of these Indians. A great many South Piegans come across to the Blood payment, and in many cases they have Blood or North Piegan women, and the greatest care has to be taken not to include any of these American Indians in the payments, particularly as some of them have pay tickets. They send their women over in many cases with their children and give them a small outfit of trading goods to sell to their friends. The close proximity and relationship that exists between these and our Indians causes them to mix a good deal.

During the summer a good many of the South Piegan chiefs came to see me, telling me that they wished to come over to this side and live as they liked the way our Indians were treated better than on the other side. There had been a good deal of