in this instance was this: That in the case of any and every school in the Territories in which the minimum daily attendance is not less than fifteen pupils, one half of the teacher's salary is to be paid by the Government; and a small amount is set aside in each case, in the discretion of the Lieutenant-Governor and Council, to aid in the construction and furnishing of school-houses.

REFUGEE SIOUX.

Of the United States Indians who took refuge in Canada from United States troops some four years ago, a large proportion have surrendered themselves to the authorities of their own country; and of the remnant—said not to exceed one hundred lodges—who still remain under the leadership of Sitting Bull, and frequent more or less the portion of our territory, in the vicinity of Wood Mountain, there is reason to believe that all, or nearly all, will have done likewise before the close of the present season.

DOMINION LANDS.

As will be observed, the Surveyor-General reports a seeming diminution in the transactions in Dominion Lands during the past twelve months, as compared with the previous corresponding period. There does not appear, however, to have been any actual falling off, and there has certainly been a practical increase in the number of settlers over any year in the history of the country. An unusally extensive area of lands not yet surveyed, or, if surveyed, not set out for settlement as required by law, has been squatted upon. This practice has always been discountenanced by the Department, as being attended by obvious inconvenience in administration, and with the risk to the settlers that they may ultimately be found to have taken up School Lands or those which by the operation of the Dominion Lands Act fall to the Hudson's Bay Company. Those squatters, however, are not as a rule speculators, but in the majority of instances prove industrious and valuable cultivators of the soil, and as such are entitled to receive every protection consistent with the public interest, when the lands on which they have squatted come into the market.

This tendency to settle in advance of survey is not new, but was developed in an unusual degree last year in consequence of the rapid progress westward of the Canadian Pacific Railway, and the prospect of the early construction of the Manitoba South-Western, in the neighbourhood of the assumed line of both of which the bulk of the squatters are to be found. The fact of the existence of deposits of lignite in the valley of the Souris River, the extent and value of which were, to some extent, established by the Director of the Geological Survey during the past season, has also had a powerful attractive influence upon the direction of the stream of immigration.

The title in the lands in proximity to the district offices situated at Emerson, Winnipeg, and Portage la Prairie, having to a large extent passed from the Crown,