As previously reported, no little difficulty was experienced last year in persuading the Indians to receive their treaty money on the reserves, but I am happy to state that this year no objection has thus far been raised against such a course; but in some instances, on the contrary, a desire has been expressed that the same method may be carried out this year as last.

One cause of unsettling the Indians and taking them from their reserves, and at times when their presence was urgently required, has been their annual dances, at which all who are in a position to attend come from far and near. As they are of heathenish origin and more or less tend to create a spirit of insubordination among the young men of the bands, I have this year discountenanced them as much as in my power lay, in which I was ably seconded by Lieut. Col. Herchmer, commanding the Mounted Police at this post; and owing to the difficulties experienced this year on the part of the Indians and my positive refusal to aid them by any gift of provisions, as has been the case heretofore, I am under the impression that in future they will be guided in the matter by the dictates of the agent. The loss and damage to crops may possibly be estimated when I state that in the case of one band they left the reserve to attend the dance, leaving not a single soul behind, and remained absent some three weeks, during which time their crops were suffering materially from the want of the attention requisite. But little by little the Indian nature is succumbing to the habits of the white man, and taking more kindly to a life on a reserve.

On the whole, the conduct of the Indians has been as good as could be reasonably expected, but it is perfectly astonishing how even a worthless character can persuade the more worthy ones to follow him in frustrating the efforts of those sent to his aid. One of our best working bands was misled a short time since by one of these characters, and refused to be governed in any way. After allowing the ringleader to go as far as prudence prompted, I had him arrested and tried before a court of justice and punished, and notwithstanding that dire vengeance was to be wreaked for the act and the Indians to leave the reserve, still it had a most salutary effect upon one and all, and everything went along thenceforward in a manner better than could have been hoped for.

I had, for some time past, been contemplating the fact of being able to relieve the authorities from granting any aid to several of the bands in the district during the coming winter—one of which has not yet reaped its second crop—but, I fear the

large augmentation in numbers will tend to frustrate this attempt.

Besides what work has been performed on the reserves, I have had the Indians to perform a certain amount of labor on the public trails—among others the trail from Fort Pitt to Frog Lake, some forty miles, has been bridged and otherwise placed in fair order—besides which a larger quantity of cord wood, rails, &c., has been cut for outside parties, thereby enabling the Indian to purchase clothing and other necessaries.

Further experience has convinced me that, although Indians in certain localities may become self-supporting, or nearly so, by tilling the soil, still that aid and supervision which the Government at present grants them in the way of instructors, cannot be dispensed with, during the present generation at least, otherwise the fields, now under cultivation, will gradually revert to idleness, and the young stock which has been raised, killed off as a means of livelihood without any regard for future wants.

All the cattle placed in the hands of Indians over and above what they were entitled to receive, under treaty obligations, have been merely loaned, in order that the killing of them or their abduction might be prevented. This proved a pretext for ill-disposed to give trouble, and they persuaded the others to state that so soon as the season's work was finished they would hand them back and not make provision for their winter's keep. From present appearances, this difficulty, although at one time general, has, I think, been overcome, and a sufficiency of hay will be forth-coming.