

respect to the latter there might still be some danger of the consequences anticipated by Lord Dalhousie. Assuming this to be a question of good faith, it seems indispensable that the arrangement should be made only with the free consent and concurrence of the Indians themselves, signified by their chiefs. And that they should feel that their interests have not been overlooked or sacrificed in forming it.

Looking however, to the moral and religious improvement of the Indians, and their instruction in the arts of civilized life, as the principal object to be kept in view in our intercourse with these tribes, I am anxious that your inquiry should be specifically directed to the practicability of effecting a commutation of the presents for some object of permanent benefit and utility to the parties now receiving them. It was with this motive that agricultural implements have of late been included among the presents, but I hope it may be possible to carry the principle into more extended operation.

From the reports in this department, it appears that not only among the more civilized and settled tribes, but even among those inhabiting the remote districts of Canada, a strong desire for knowledge has recently been evinced. In Upper Canada, schools have been established by societies and by private individuals, and are said to be well attended. [In Lower Canada also similar efforts appear to have been made, though perhaps not with so favourable a result.] These circumstances, combined with the general docility of the Indian tribes, lead me to hope that a scheme of a more general nature would not fail of ultimate success. I cannot, of course, pretend to enter into the details of such a scheme; it is sufficient for me to impress upon you the readiness and the anxiety of His Majesty's Government to co-operate to the utmost of their power in its promotion. With this view they are prepared, should you think such a measure practicable, and if the consent of the Indians can be obtained to it, to sanction the application of at least a portion of the sums now expended in the purchase of stores and presents, to the erection of school-houses, the purchase of elementary books, and the payment of resident schoolmasters, for the benefit of the Indian tribes; nor, if so important a commutation could be effected, would they think it necessary to postpone its commencement from any considerations of economy, in regard to articles which may have been already consigned to the colony for distribution, and which might in such a case remain on hand. Upon this subject, however, I shall be anxious to receive from you, at as early a period as possible, such suggestions as the means of information within your reach may enable you to offer for the guidance of His Majesty's Government.

It remains for me now to notice the expenditure on account of the Indian department. Of this I do not hesitate to express my opinion, that it bears an undue proportion to the whole amount of expenditure under consideration. It amounts in [Lower Canada to 1,814 *l.* 3 *s.* 4 *d.*, while the whole sum appropriated to disbursements on account of Indians in that province are only 6,000 *l.* per annum. Of this amount, 1,814 *l.* 3 *s.* 4 *d.*, 168 *l.* 6 *s.* 8 *d.* is for pensions, and 1,645 *l.* 16 *s.* 8 *d.* for salaries, in which latter sum is included 270 *l.* paid to five missionaries and 20 *l.* to a schoolmaster. The remainder is consumed in the salaries of officers,] the object of whose appointment, is the maintenance of the connexion with the Indians, and the distribution of the annual presents. From the evidence adduced before the Committee of the House of Commons on Colonial Military Expenditure, it would appear that the duty of distributing the presents, even if that system should be maintained, might be wholly performed by the existing Commissariat Establishment in Canada. If the distribution of presents be not continued, whether by reason of their commutation for money, or of the application of the price of them to purposes connected with education, the services of the Indian Department might still more easily be dispensed with. In this branch of the expenditure I am inclined to think that an extensive reduction might immediately take place, and with this view I am anxious to direct your Lordship's early and particular attention to the subject; I would suggest that you should call upon Mr. Commissary-general Routh, to report to you upon this branch of the question. The attention which that gentleman has devoted to the whole subject, the ability with which his reports to the Lords Commissioners of the Treasury have been drawn up, and the suggestions which he has already made of reductions in the annual expenditure, must entitle his opinion to considerable weight. In reporting upon this branch of the inquiry, you will furnish me with requisite information, as to the length and nature of the services of the

Omitted in
Despatch to
Sir F. Head.

(To Sir F. Head.)
Upper Canada to 2,329 *l.* 19 *s.*, while the whole sum appropriated to disbursements on account of Indians in that Province is 14,000 *l.* Of this amount of 2,329 *l.* 10 *s.*, 572 *l.* is for pensions, and 1,757 *l.* 10 *s.* for salaries to officers, the object, &c.