

COPY of a Report of a Committee of the Honorable Privy Council, approved by His Excellency the Governor General in Council, on the 18th April, 1878.

The Committee of Council have had before them the Memorandum hereunto annexed, dated 16th April, 1878, from the Hon. the Minister of the Interior, relative to a timber limit of one hundred square miles in area on the east shore of the Lake of the Woods, or in that vicinity, granted to Mr. W. J. Macaulay on the 14th April, 1874, such limit to be selected and surveyed by him, and whose claim as to the area was confirmed by a second Order in Council, dated the 8th March, 1876, and they advise that the recommendations submitted in said memorandum is approved and acted on.

Certified, W. A. HIMSWORTH, C.P.C.

MEMORANDUM :

DEPARTMENT OF THE INTERIOR, OTTAWA, 16th April, 1878.

The undersigned has the honor to report to Council that Mr. W. J. Macaulay, who was granted a timber limit of one hundred square miles in area, on the east shore of the Lake of the Woods, or in that vicinity, on the 14th April, 1874, such limit to be selected and surveyed by him, and whose claim as to area was confirmed by a second Order in Council, dated 8th March, 1876, has now submitted a plan and descriptions dated the 11th inst., showing selections and surveys of pine lands, amounting in all to an area of $74\frac{59}{100}$ square miles, the several tracts making up that quantity being exhibited on the map accompanying his letter, and also set forth in separate tracings certified by the surveyor employed by him to locate his limits.

Mr. Macaulay explains that owing to the time involved examining the country in order to enable him to make these selections and the cost of the latter, he has been unable to this time to select and survey more than this quantity, but requests to be allowed to make the selection of the remaining $25\frac{41}{100}$ square miles at one, or partly at both of the points marked in pencil respectively A and B on the map mentioned, the localities indicated by these letters being situate respectively on the east and west sides of the northerly portion of the Rainy Lake; the remaining portion of the area of his limit, as above, to be surveyed, and maps and descriptions thereof furnished to this Department at his expense.

The undersigned had occasion, during his visit to Manitoba last autumn, to observe the lumber manufacturing establishment of Mr. Macaulay, in which, evidently a large amount of capital has been expended, and the value of which as contributing towards the requirements of settlers in the way of supplying lumber, cannot be denied.

In view of this fact and of the promise of the Government already made by Council to Mr. Macaulay, the undersigned respectfully recommends that the selection and survey now reported by him be approved.

The undersigned further recommends that Mr. Macaulay be permitted to take the balance of the one hundred square miles at the points where indicated by him with that view, the same to be surveyed and maps and descriptions thereof to be forwarded by him to this office at his own expense.

As Mr. Macaulay has announced his desire to have this matter concluded with the least possible delay, wishing to enter forthwith upon the erection of mills at the Lake of the Woods, so as to have the same in operation by the time the railway reaches Rat Portage, it is suggested, should Council approve, that Mr. Macaulay receive a lease of the $74\frac{59}{100}$ square miles now reported, the remaining $25\frac{41}{100}$ square miles to be included in an additional lease upon the same being surveyed and reported.

It is of course understood, as set forth in preceding Orders in Council on this subject, that on the adjustment of the question of boundary between the Dominion and the Province of Ontario, should the limits granted to Mr. Macaulay prove to be