

the Indians of the Lake of the Woods, who, I learn from the best information I could receive, number about seven hundred (700). They being aware that presents have been made by the Government to other tribes along the line of route, a strong feeling of dissatisfaction exists among the Lake Indians at having received no acknowledgement, although promises of such have been held out to them ever since the commencement of the Lake of the Woods and Fort Garry section, and, as they observe, have waited patiently expecting these promises to be fulfilled. I deem it of importance bringing this before the notice of the general Government as well as before Lieutenant-Governor Archibald, that some reasonable temporary acknowledgement should be made to them without further delay or at least before spring, when serious damage might be sustained through the feeling of dissatisfaction now existing, and which might lead to ultimate trouble and anxiety to the Government.

I cannot conclude this report without mentioning the name of my foreman of works, Mr. Lonsdale, whose assistance and trustworthy services have been of great value to the Government and myself in the successful prosecution of the work under all circumstances together with his experience and energetic capabilities, entitle him to the special notice and confidence of the Government.

Accompanying this report, I beg to hand you a sketch of the line of road so far opened, which I trust will meet with your approval; it is prepared by the surveyor employed by me, Mr. H. L. Sabine, a gentleman of over ten years' experience in this country, and also a civil engineer. I have also to acknowledge his services as being of the most satisfactory nature, he having given me every satisfaction in the performance of the duties for which I engaged him.

In addition to the importance of this route in a national point of view, I would remark that the present and future benefit of its construction is and will further prove of incalculable benefit to the people of this Province, the traffic on the road, even now considerable, will constantly increase, and being a permanent source of supply for firewood and timber, the scarcity of which is now beginning to be seriously felt in the older parts of the Province will, it is to be hoped, be further developed by the facilities of a tramrail being laid down in this section, which may be done at a comparatively small cost, and I would further add that it is the general opinion of the people that there are many other considerations which will gradually develop and enhance the value of the road to this country.

I am, my dear sir,

Yours most obediently,

(Signed)

JAMES MCKAY.

S. J. Dawson, Esq.,
Department of Public Works,
Ottawa.

Saturday, 9th May, 1874.

Evidence of Mr. Spence.

My name is Thomas Spence. I am clerk of the Legislative Council of Manitoba. I recollect the commencement of the Fort Garry and Lake of Woods section of the "Dawson Road." I was engaged as assistant to Mr. Snow in the fall of 1868. Mr. Snow came to explore and locate the road. About thirty miles of road were partially made when, after some difficulty with the Indians, Mr. Snow left for Ottawa in the spring of 1869, returned in July or August, and recommenced work till the fall of same year. The Hudson's Bay Company undertook to continue the construction of the road, under the proclamation of Colonel Wolseley, in 1870. On account of famine prevailing at the time, I believe that Snow's instructions were to pay the men in *provisions, pork and flour, &c.*

I am aware that the Hudson's Bay Company presented accounts to the amount of £18,000 sterling, for work done on the road from the time of Colonel