

His Excellency Sir George Arthur appointed a Commission to enquire into the condition of the Indians, and what lands or annuities they possess, and the management of the Indian department. "From the very extensive and complicated nature of the first branch of this inquiry, and the remoteness of the sources of information upon which alone the Commissioners could form accurate opinions," they deferred a report on it until the information could be collected, and confined themselves to the second branch of inquiry, the Indian department. On this their report treats largely, pointing out its defective organization in past years, through which they "have to lament the injudicious disposal of much valuable property, and the disappearance of unaccounted funds." "Vast sums which from time to time have been realized from sales of blocks of their lands (especially reserved for the use of them and their posterity) instead of being invested in conformity to the trust, and the interest only paid over to the claimants, have, on the contrary, been from time to time divided and distributed among them, and are consequently lost to those for whose benefit and advantage they should have been safely invested, and inviolably preserved."

The report enters minutely into the various changes that are requisite to render the Indian department thoroughly efficient, as it respects the disposal of Indian lands, the removal of squatters from those lands, the distribution of the annual presents, the promotion of civilization among the Indians, the internal arrangements of the office, and in general every thing connected with Indian affairs.

The following extract from the conclusion of the report will show the nature of the improvements suggested.

Your committee will now, as concisely as possible, recapitulate the subjects of their consideration; the defects in the constitution and operation of the department, which appear to them to require attention and improvement; and respectfully make such suggestions as in their opinion will effect such improvement.

*First*—With regard to the system of paying the annuities, your committee are not prepared to recommend any change at present. They are of opinion that the mode described by Mr. Jarvis, of paying them in commodities, which are generally useful to the communities, and have a tendency to domesticate them, and promote the practise of agriculture, a mode happily as it appears, originating in the good sense of

the Indians themselves, ought to be continued.

The changes recommended by your committee under other heads will, they trust, have the effect of rendering such system still more agreeable and beneficial to the Indians.

*Secondly*.—As to the mode of taking care of the Indians' lands, and whether great alterations and improvements might not be effected, much to the advantage of the Indians, your committee have already, in the body of their report, entered at great length into this perplexing subject, and are strongly impressed with the opinion, that so entire a change not only in the preservation, but in the appropriation of the wild lands, must be effected before any material improvement in the social condition of the Indians can be hoped for, (schemes in relation to which, your committee will submit in their report upon the best means of ameliorating their condition generally,) that they for the present avoid recommending any partial alterations, and confine themselves to the protection of their property, against the evils predicated in the

*Third branch of this inquiry*.—As to the course to be adopted with respect to Squatters upon Indians' lands. These may be divided into two classes.

First, of those who have taken illegal possession of the land, either under some pretended license from individual Indians, or without even such colour of title, for the purpose of farming alone, and have cleared and cultivated and built upon the land.

*Secondly*. Such whose illegal possession is accompanied by circumstances of a still more objectionable nature,—such as cutting and plundering the valuable timber—keeping houses for the sale of spirituous liquors, and otherwise disseminating the vices into which the Indians so easily fall, and which are the real source of much of their destitution.

The first class by the valuable improvements upon and attached to the lands, have given a sort of security for their ultimately making to the Indians full compensation for their temporary usurpation, and their cases may for the present be postponed, and taken into consideration in connection with the scheme above alluded to.

There were numerous instances of such upon the lands surrendered to the Crown, and conveyed and sold for the Indians' benefit; these lots were valued with the improvements, and the intruders had the privilege of pre-emption at the price fixed by the Government. If abandoned, they were of course, with their increased value, put up to public competition. This rule might be beneficially followed again, whether the lands be leased or sold.