

and who may be supposed to have vested interests, are not allowed to cut telegraph poles, ties or piles, without paying double dues, unless they procure a license from the Crown Timber Office at Winnipeg—a treatment of *bona fide* settlers in marked contrast to that accorded to the timber marauders before referred to.

On the other hand, persons who have surveyed timber limits and gone to considerable expense in preliminary explorations and surveys, find those limits entered upon and in course of being stripped by adventurers armed with permits from Ottawa, while all the satisfaction they can obtain in answer to representations made to the Minister of the Interior, is found in the stereotyped reply that their communications will receive attention.

For the past three or four seasons settlers have been occupying locations on the Canadian side of the Rainy River. The population of this district is likely to increase with the expansion of the lumbering and mining industries. But hardly any settlement has taken place in other parts of the disputed territory, excepting in and near Rat Portage, Keewatin and Prince Arthur's Landing. One half of the entire district is estimated to have a water surface. Agricultural land exists in patches in nearly every section of the country, but it is not likely ever to be made available, owing to insuperable difficulties in the way of opening roads, even supposing—a most improbable contingency—that it would pay to construct them. In the Rainy River region, and generally where it is found in the neighbourhood of the Lake of the Woods, the land is exceedingly productive. Cereals—particularly wheat, barley, oats and corn—of excellent quality and colour, yield abundantly; also every kind of garden produce and roots. Melons and tomatoes are always sure crops, and onions raised from black seed attain great size, even when sown so late as the 1st of June. The yield of potatoes in 1881, in a clearing where the seed had been lightly covered with broken sod, was 400 bushels to the acre. A portion of the crop was shipped by steamer from the Rainy River to Rat Portage, where the people were eager to purchase at \$1.25 per bushel. The hay crop is also abundant, and oats have been known to thresh out 80 bushels to the acre with, as is the case with all other cereals, very heavy straw. Here, as all over the territory, is a luxuriant growth of wild hops, black and red currants, raspberries, cranberries, grapes, blue berries, plums and cherries. The land is peculiarly well adapted for hops and barley.

Communication is had with all points on the Lake of the Woods in summer by steamboats and canoes, in winter by teams and dogtrains. A railway is projected to run between Duluth and Winnipeg, which will pass near the Rainy River and help greatly to open up a large stretch of country now wholly dependent on the water outlet afforded by the Lake of the Woods. A railway is also projected to connect Duluth with Prince Arthur's Landing, striking the Pigeon River mining and lumbering regions.

There is little or no communication with the interior of the territory, except with the Hudson Bay posts, and this is made by means of Indians in the employ of the Company. The Indian population are quiet and docile, but they have a great aversion to all manual labour, save fetching and carrying. They know nothing and do not care to know anything of agriculture; cannot be persuaded to use a spade or a hoe, and live almost wholly by trapping and fishing. All efforts to Christianise them have hitherto proved futile. The Dominion Government grant, under the treaty, of \$5 per head, has had the effect of