

Walsh, and a considerable number of men were to be employed at once in and about Cyprus Hills.

This being the case, the situation of affairs was essentially changed, and I was compelled to somewhat modify my previous recommendations, in so far as they related to the *immediate* abandonment of Fort Walsh, as I saw that it was actually necessary to maintain a force of police in that vicinity for the protection of the working parties from American Indians as well as our own, and also to prevent smuggling and illicit whiskey dealing being carried on from the United States Territory. I therefore recommended Fort Walsh be not abandoned until we were positively informed as to the location of the Canadian Pacific Railway line, by which time a suitable site for a new post could be selected, possibly near the crossing of the South Saskatchewan River, about 35 miles north west of the head of the Cypress Hills. On ascertaining the final location of the Canadian Pacific Railway, I communicated with you recommending that the site for future headquarters be decided upon at once, and a suitable post be erected without delay. I based this recommendation upon the assumption that the site would be selected at or near the crossing of the South Saskatchewan River. I stated, however, that should the Government consider that point too far West for headquarters, it would nevertheless be necessary to erect a post in the vicinity of the Cypress Hills.

By your telegram of the 29th July last, I was informed of your decision of the Pile of Bones Creek being the headquarters of the force, also the number and dimensions of the section buildings for stables and quarters. This telegram reached me at Fort McLeod.

Soon after my return from that Post to Fort Walsh, I proceeded to Qu'Appelle; after having inspected "B" Division, I accompanied His Honor the Lieutenant Governor to the Piles of Bones Creek.

I instructed Inspector Steele, who had accompanied me, where the buildings were to be situated.

I immediately moved the headquarters of "B" Division from Qu'Appelle to Regina.

At the end of October the section buildings commenced to arrive and building was proceeded with.

The headquarters of the force was transferred from Fort Walsh to Regina on the 6th December.

The increase of the force has proved most judicious. The effect on the Indians throughout the Territory was to show them that the Government intended that law and order should be kept, by both white men and Indians alike, and that sufficient force was provided to accomplish this.

The cases to which I have alluded, of "Big Bear" and of the trouble at the Blackfoot Crossing, early in January last, are sufficient to show that a strong force is still necessary to enforce the law among the Indians.

I was, owing to the increase of force, enabled to move a sufficient force to Forts McLeod and Calgary, which was urgently required.

At Fort McLeod there are the Blood and Piegan reservations, numbering about four thousand people. The Sarcee reservation of about five hundred is only ten miles from Calgary, and the Blackfoot reserve, fifty-six miles down the Bow River from that post.

The fast growing settlements about these posts, together with the large cattle ranches, rendered it imperative that they should receive good police protection from such a large body of Indians, in all about seven thousand, as well as that order should be kept among the Indians themselves.

These Indian reserves being close to the boundary line, great vigilance is required to prevent smuggling from Montana, U.S.

By having a strong force at Qu'Appelle, I was enabled to afford sufficient protection to the Canadian Pacific Railway.

Outposts of "B" Division were established on all the different trails by which liquor could be brought in, and men were stationed at various points along the line to prevent any liquor-selling, and preserve order among the railway navvies.