

In accordance with instructions, tenders were invited in the public press last August for the construction of a Jail and Court House at Rat Portage according to plans and specifications furnished by the Ontario Public Works Department. Only one tender was received—that of Oliver and Sutherland, for \$8,950. Under the circumstances of there being only one tender, and the amount being in excess of the appropriation, it was thought proper to solicit further instructions in the premises. At the Attorney-General's request, Stipendiary Magistrate Lyon prepared a memorandum of the cost of labour and material at Rat Portage, with the result that it was deemed advisable to send up from Toronto a foreman of works and the required number of men, together with a supply of dressed lumber for the erection of the building. The party arrived on the 30th November. Fair progress has been made with the work, and the building will be completed and ready for occupation by the middle or towards the end of May. I may add that the Hudson Bay Company claim 640 acres of land at Rat Portage under an Order in Council dated Windsor, Eng., 24th June, 1870. This Reservation, according to a letter received by their Agent from the head office in Winnipeg, was the result of a "special arrangement with the Dominion Government." It was staked out by Mr. Gore, P.L.S., under "special instructions" from the Department of the Interior. It is on lots acquired from the Hudson Bay Company that the Jail and Court House are being erected.

With regard to the appropriations made by the Ontario Government for roads and schools within the disputed territory, I have to report that a school was organized last fall by Stipendiary Lyon at Keewatin Mills, and it is now in full operation under an experienced teacher holding an Ontario certificate. The people of the village are greatly gratified in that the Government has given so practical a proof of its solicitude for their interests, in granting a sum of \$200 to assist in supporting their school.

A sum of \$300 was granted by the Ontario Government towards aiding in the establishment of a school at Rat Portage. A meeting of the inhabitants was called for the purpose of naming trustees and organizing. Trustees were appointed and a sum of \$226 was promptly subscribed. But the promoters of the municipal organization under Manitoba also called a meeting for the nomination and election of trustees under the Manitoba Act. They did not succeed, however, in obtaining the required funds wherewith to start a school and, eventually, a school was organized with the assistance of the Ontario grant and it is now in active operation under a teacher who holds a Nova Scotia certificate.

It is understood that the additional sum to make up the \$350 required has been promised by gentlemen of Winnipeg interested in Rat Portage.

Mr. Lyon, who is now at Fort Frances, is employed in establishing a school at that place, the Ontario Government having, in response to an appeal, granted \$200 in aid. Here, as at Keewatin, the people are unanimous in their appreciation of the Government's liberality.

Recently, information was conveyed to the Ontario Government to the effect that small-pox had broken out in some of the lumber camps near Rat Portage, that one case had developed at a hotel in the village; that the Manitoba Government had been appealed to for help, and that an answer had been received stating that, while that Government would defray all necessary expenses incurred in suppressing the disease outside of Rat Portage, the municipality must depend upon its own resources. Recognising the fact