

Sir RICHARD CARTWRIGHT. I do not know that in ordinary cases the Dominion can undertake to pay clever forgeries upon it, but in this case, there are certain circumstances that make it exceptional, though I should regret it as a precedent to be followed hereafter. It is the business, I think, of the parties who may happen to take them, unless we ourselves in some way were responsible by carelessness on the part of the officials of the Government for the forgery having been committed.

Mr. McLELAN. It appears there was some carelessness on the part of our officer, and it was represented on the other side that it would be better for us to pay it rather than have suspicion thrown upon our bonds. At present our agents are responsible for the bonds issued on the other side.

Sir RICHARD CARTWRIGHT. Who applies for this?

Mr. McLELAN. It was transferred to brokers in Toronto by F. Lewis, formerly a clerk in the Finance Department.

Sir RICHARD CARTWRIGHT. Who are the parties to whom this is to be paid?

Mr. McLELAN. They have not given me the names.

Mr. MULLOCK. I think the Government ought to take a distinct attitude on this question. Were the coupons, or a number of them, paid before the forgery was detected?

Mr. McLELAN. It passed into some person's hands and went to London for payment, and it was there discovered to be a forgery. There had been, I think, an extra number of bonds which got into the hands of this person, and he made use of one of them. Our agents in London informed us that the same thing had occurred in one of the other colonies, and that the colony had paid it to preserve its credit above suspicion.

Mr. MULLOCK. Had some of the forged coupons been paid?

Mr. McLELAN. I have no recollection of that.

Mr. MULLOCK. What practice has been adopted so that the thing may not occur again?

Mr. McLELAN. The usual practice of checks, and counting in and out.

Sundry expenditure in connection with the rebellion in the North-West Territories ..... \$1,014,309 67

Sir RICHARD CARTWRIGHT. What is the total amount of claims likely to be preferred with respect to losses arising out of the rebellion? The losses have been stated at an enormous sum, and if we are to make them good, I fancy that the sum of \$67,000 will prove utterly below the requirements of the case.

Mr. WHITE (Cardwell). This amount is simply to pay the settlers in the neighborhood of Battleford, on the first report of those who went out in the spring to investigate the losses. I have telegraphed Mr. Ouimet in the hope of getting an approximate estimate of what will be required, but I have not been able to get an answer.

Sir RICHARD CARTWRIGHT. Have not the Hudson Bay Company, for instance, preferred a claim ranging up to \$1,000,000 and odd?

Mr. WHITE (Cardwell). Yes, but the Government do not at all recognise that claim.

Sir RICHARD CARTWRIGHT. But it has been preferred?

Mr. WHITE (Cardwell). They have preferred a very large claim. Mr. Ouimet is instructed to take evidence without prejudice to any person.

Mr. McLELAN.

Mr. CAMERON (Middlesex). I wish to draw attention to some facts which have come into my possession on the question of the losses resulting from the rebellion. I will preface the reading of a letter which I received by the statement that, to my knowledge, it is from a gentleman whose word can in every sense be accepted; and I think the internal evidence of the letter itself will corroborate my statement. He writes as follows:—

"I have witnessed in connection with the Mounted Police a state of things hardly credible. Usually swindling is made difficult to detect; here since the rebellion it has been practiced all around, openly and in broad daylight. Nobody ignores what is going on; many have a hand in it, all directly or indirectly benefit by it. The moral sense of the public has become so blunted that no expression of wonder or condemnation is to be heard; all this is accepted as a matter of course. A man is considered lucky and holding a good berth in proportion to the chances he has to swindle the Government. This state of affairs, bad enough before, has been aggravated by the rebellion or more properly the management of the commissariat. Teamsters had no check put upon them. They were loaded at the railway station without any record of how their loads were being made up; they could deliver half their loads or less without any possibility of detecting their frauds. Instead of having special teamsters loaded with oats and provisions to supply the other teamsters along the road each teamster was his own master and could supply himself and horses with the contents of his own load. The inevitable consequence has been that the teamsters being able to steal without detection out of their loads as much as they pleased being interested besides to carry as light a load as they could, to spare their horses, did not deliver one-fourth of their loads. They either made 'caches' or wantonly threw away or spoiled part of it. Boxes, sacks of oats could be seen everywhere along the road. Soft places were often bridged with sacks of oats and left there. A great many instances were freely reported by men relating their own doings or experience when but 100 or 200 lbs. only were delivered out of a load of 2,000 lbs.

"Now, as no quantities were recorded at the place of delivery the consequence has been that officers and men of the North-West Mounted Police have been selling these goods by the waggon load at very low figures all along since the rebellion, pocketing the proceeds. It was done so openly that to my knowledge any man, known or not, by going to the barracks at a specific hour, 7 a.m. in winter, was sure to come back with a load of oats, sometimes a bag of flour or bacon at a conventional price, usually one half the real value. Many officers and men pay all their bills with provisions from the barracks. In one instance 18,000 lbs of beef were paid as delivered when no delivery was ever made, the sale being a sham one to divide proceeds.

"If I was to relate all the facts within my knowledge my story would be a long one. The story has been the same all along the North-West, you may take it as a certainty that far from exaggerating the facts, I remain with the feeling that this letter will fail to convey to you an adequate idea of their real extent.

"I know of facts of a similar nature in connection with the Indian Department here, but they are of minor importance in comparison and only implicate subordinates. Mr. Rae, a former agent of Battleford, is generally reported as having taken advantage of his position in the same way. What I do know is that he always fed the Indians as little as he could; that he never inspected the cattle or farming of the Indians, never visited them in their houses, treated them brutally, putting them out of his office forcibly, always speaking of them with contempt, &c. The Indians do not make a secret that it was their intention to kill him at the time of the outbreak. When he was agent at Duck Lake his Indians were dissatisfied. *En resumé*, he is the worst agent I have known, mostly because I consider it to be the worst feature of an agent to be harsh and inhuman as he is. He was removed to Prince Albert last fall. Orde, a former agent at Battleford, was also a poor one, but mostly on one point, namely: his unsettled mind and want of firmness.

"Reed, who is now Indian commissioner, succeeded Orde, and was considered a very superior agent. Mr. Wright, the present agent, is the most painstaking and best liked by the Indians. Lately, however, he has been arrested for embezzlement, supposed to have been committed while at the Winnipeg office. It appears that he was short of \$1,700 in his bank account, but as he had for many years the handling of very large sums it is not supposed here that he is guilty of more than irregularity or neglect. He had so won the confidence of the Indians that his presence here was considered a safeguard against troubles and his departure was regretted accordingly.

"Payne and Quinn, the instructors who were killed, were both inhuman characters. Payne was killed by an Indian whom he had just violently put out of his house.

"Moosomin and all his band refused to join Poundmaker; half of Red Pheasant's band did the same. In both cases the instructors Applegarth and Clink had won the sympathy of the Indians under their charge by their considerate and humane treatment. Kind dealing is the most essential thing; Indians are just as much influenced by it as white men are. As a proof of this the present agent, Mr. Wright, had been visiting them from house to house enquiring kindly of the sick and their wants, &c. In less than two months he had won their affection and confidence to such an extent that when arrested they were highly indignant, and expressed the idea that this was done only because he was too kind-hearted for them. Of course if guilty he must be punished, but the whole population have expressed their appreciation of his services by their petitions. Their interference in favor of a man accused of such an