159/20-7-1-19

Nov. 8, 1951.

N. W. Garrard, Esq., Indian Superintendent, Port Alberni, B.C.

## Re: Timber - Ahousaht Band

Earl George visited this office recently in connection with the disposal of the timber by permit on their Reserve. He advised me that you had indicated that of the profits one-third would be distributed and two-thirds credited to Trust Funds. He stated the Band wished 50% of the profits and 50% to go to Trust Funds. I explained to Earl in no uncertain manner that if they got a distribution of one-third in cash with the remainder going to Trust Funds they could then utilize their Trust Funds in accordance with the terms of the new Act for home improvements or whatever purpose they wished as permitted by the Act. I also reminded him of the extensive funds being expended by the Department on the Ahousaht Reserve and particularly the water system which is being done without any charge to their Band Funds. He freely admitted that this was the best thing to do but intimated that he might have some difficulty convincing some members of the Band.

Sam Paul also visited at the office this morning and was given the same information. It appears that the Advance Logging Company are felling on this Reserve before they have signed a contract. The irregularity of this was stressed to Earl George and I have no doubt they proceeded without authority from yourself, merely taking the word of the Council. I hope this operation may be regularized at the earliest possible date so that we may submit the contract to Ottawa for final approval. If you have any doubts about the operation it should be stopped.

W.S.Arneil, Indian Commissioner for B.C.