OFFICE OF THE DIRECTOR

159/ 20-7-18-2 (R.3)

DEPARTMENT OF CITIZENSHIP AND IMMIGRATION

Ottawa, 6 February, 1951.

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

> Re: Deekyakus Indian Reserve No. 2 Your file 159/20-7-16-2

Receipt is acknowledged of your letter of the 25th of January and enclosures. It would seem that we can now -

- (a) Permit Tidewater to continue the operation, or,
- (b) Require them to cease operations as permits have not been issued and there is not authority for the cutting.

From the file it is not apparent that there is a loss of \$13,000.00 or any definite amount. Messrs. Walter and Dickinson's offer was \$5.50 plus receipts over \$35.00 per M. average. There does not appear to be any incentive to them to sell timber over \$35.00 except, as necessary, to bring their average up to that amount. It might be expected that little, if any, money would be paid to the Band on any price exceeding \$35.00 per M. The Band might expect to receive straight dues of \$5.50 per M.

Under the Tidewater contract, the Company has committed to pay \$6.50 per M. plus 50% of sales (not average) over \$35.00. The Company contracts to deliver spruce and cedar, grades 1 and 2, to Vancouver.

If the Indians wish to complete their contract with Tidewater, the Band Council and Mr. Garrard have authority, under the regulations, for permits for sale.

AFFAIRES INDIENNES

No. 2

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