the hon. member to warrant that expenditure of time and money. He also asked me about loans for housing which would be made from the \$100,000 fund which appears in the vote to come up shortly, namely vote No. 480. With the agreement of the committee I will answer it now. The interest rate is 5 per cent simple interest for a period of 10 years. Although that is the ceiling, the period can be extended. The maximum amount permissible for a single loan is \$5,000.

I must say my hon. friend is misinformed with reference to the number of Indians employed by the department. Altogether there are 255 Indians in the employ of the Indian affairs branch, 123 of whom are teachers. The others are employed in various categories, clerical and administrative jobs, superintendents and assistants, constables, caretakers, stenographers and typists and one classification of all other types of employment.

Mr. Pickersgill: What is the total number of all employees of the Indian affairs branch?

Mrs. Fairclough: The number is 255, 132 general staff and 123 teachers.

Mr. Pickersgill: No; those are Indians, are they not?

Mrs. Fairclough: Yes.

Mr. Pickersgill: I mean, what is the total number of employees in the department?

Mrs. Fairclough: I see. I will get that figure for the hon. member. I might say that it is the aim of the department to employ these people whenever we can, and we do hope that as time goes on more and more of them will enter into the employ of the department. Altogether the number employed is 2,494. So you see that something just over 10 per cent of our staff are Indians.

The hon, member for Skeena made reference to the Kitwanga Indian band and the difficulties they are having with reference to the road which British Columbia is building in that area. First of all I might say that under the terms of the agreement with the province with respect to this land, the province has the right to take back 5 per cent of unimproved land for road purposes without any compensation. Of course the hon, member knows they have taken more than that, and we agree that the situation is not what it might be. At the present time we are in the process of negotiations with the province, and we have hired an independent appraiser to evaluate the property which has been taken.

Mr. Howard: The minister said that by virtue of the agreement they have they can take up to 5 per cent without compensation. Can

Supply—Citizenship and Immigration the minister indicate what this agreement is or when it was consummated?

Mrs. Fairclough: The reserves were conveyed to the dominion by the province of British Columbia by a minute of the executive council on July 29, 1938. By that minute the province retained the right to resume unimproved land, to the extent of 5 per cent of the area transferred to the dominion, for roads and other public works, without payment of compensation. Therefore, in the case of the Kitwanga reserve No. 1, the province may resume approximately 165 acres of unimproved land and approximately 10 acres in the case of Kitwanga reserve No. 2.

Mr. Winch: That action was taken by executive minute, not by an act of the legislature? It was an executive council minute?

Mrs. Fairclough: The hon, member is quite right.

Mr. Winch: I am sorry to bother the minister, but does the minister, or do her advisers, know of any authority of the federal government whereby a provincial government can take over reserve land under an order in council and not by an act of the legislature? Is that authorized by the federal government, which has the responsibility for Indians?

Mrs. Fairclough: This was done under the terms by which the reserves were turned over in the first place.

Mr. Winch: In other words we are back to the McKenna-McBride agreement?

Mrs. Fairclough: No. I will give the hon. member a fuller explanation in reply to his question.

With reference to the matter raised by the hon. member for Vancouver East, this is as he has indicated. The director and the department have been spending a considerable amount of time in research, delving into the questions he has raised and the conditions under which these reserves were changed in the first place. His first inquiries to the department, or his main inquiry, had to do with Capilano Indian reserve No. 5. Before dealing specifically with that reserve I think possibly some background information applicable to all reserves in British Columbia might be helpful. I should say that this information is going forward to the hon. member in a letter from the director. I assume by his remarks he has not received it, but it is in the mail and should be on his desk now. However, it is interesting information and possibly I might make it available to the committee.

The British North America Act assigns legislative authority over Indians and lands reserved for the Indians to the dominion. Article 13 of the terms of union under which British Columbia entered