

164/20-7-1-1

December 3, 1951.

R. H. S. Sampson, Esq.,
Superintendent, Indian Agency,
Vernon, B.C.

Re: Stampage - Okanagan I.R. No. 1.

I have your letter of November 23rd, and Resolution of the Chief and Councillors of the Okanagan Band, and would advise that the question of dues payable to Band Funds in your Agency has been brought to my attention on several occasions, more recently by Bob Allison in connection with the Lower Similkameen timber.

The Timber Regulations, Part 1, dealing with the issuance of permits and the payment of dues on timber cut under a permit, are quite clear but the difficulty in every case is to determine the "prevailing rate". It has been the practice insofar as Indian Reserve timber is concerned to determine the prevailing rate by a comparison of the timber in question with Provincial timber in the vicinity, rates on which are usually established by sale advertisements, but this is a rather unsatisfactory way. Indian Reserve timber is a capital asset and it is our view that this capital asset should not be disposed of unless the standing value of the timber is credited to capital funds for capital improvements for the benefit of not only the present but future generations.

Enlarging further on the matter, I would point out that the prevailing rate for timber in a particular locality does not necessarily represent the standing value of a specific stand of Indian Reserve timber. The standing value, in my opinion, is the difference between the cost of logging and getting the timber to market and market prices less a small percentage for profit, and if in each case this is used as a guide and the rate payable to Band Funds from timber cut under a permit is based on the standing value, the timber assets of the Band will be properly administered.

**REPEAT
REPETITION**

RG 10, C-11-2, Vol. 11075
File/dossier 164/20-7-1-1

INDIAN AFFAIRS
AFFAIRES INDIENNES

National Archives of Canada
Archives nationales du Canada

0000000000