

Mr. SMYTH. Who is the deputy superintendent of Indian Affairs?

Mr. OLIVER. Mr. Frank Pedley.

Mr. DANIEL. Will the hon. minister explain what becomes of this money, the grant to land managing funds? To whom is it paid and who disburses it, and in what way and what does the item mean?

Mr. OLIVER. There were two funds which existed previous to confederation out of which the charges of management of Indian lands were paid. After confederation these funds, which were taken over by the Dominion Government, became, in some way or other, improperly depleted, and the Dominion was indebted to them in a certain amount. Later on means were taken to recoup the funds from the Dominion treasury at so much per year, so that in fifteen years the Province of Quebec fund and in twenty years the Land Management fund will be restored to the position in which they would have been, had they not been improperly drawn upon.

Mr. DANIEL. Who are the trustees of the funds and who operates them?

Mr. OLIVER. The Indian Department became the trustee at confederation, and what are now considered to have been improper charges on them began in about 1880 and ran on until the funds were exhausted. Then the matter was reconsidered and it was decided to place the funds back where they were originally.

Mr. DANIEL. Then the minister's department is the one that operates the funds now?

Mr. SPROULE. With regard to the disposal of the rights to cut timber on Indian lands, could the minister tell us what is to be his policy in the future. We have had several instances brought to our notice of large quantities of timber having been cut on these islands by particularly favoured friends of the government who got that right very cheaply. Had these timber cuts been put up to public competition, no doubt they would have realized a great deal more for the poor Indians. The government might very wisely adopt a different policy from that of disposing of these timber cuts to their private party friends by private sale. When there is timber to be sold on an island or an Indian reserve, that sale ought to be publicly advertised and be made to the highest bidder. That method would realize more for the Indians, whose property it is we are handling in trust, and also give greater satisfaction to the timber trade. What took place on Hope Island was a notable instance given the House last session of this abuse of trust, and there were several other instances of the same kind in the Georgian Bay dis-

Mr OLIVER.

trict. Would the government give us any assurance that they will adopt a better policy in the future?

Mr. OLIVER. I do not know that it would be profitable to discuss the method of disposition of the timber on Indian lands, as it has been followed during the many years that the Indian lands have been under the administration of the Indian Department. It has followed very much the system of disposing of timber on ordinary public lands. Long ago when timber was of little commercial value it was more important that the timber on public lands should be cut than that a high price should be obtained for it. But as timber got more valuable the system of disposition was changed on Indian lands as well as on public lands. As to the present policy of the department with regard to timber on Indian lands, I can give no better illustration than the sale of timber on the Dokis Indian reserve on the French river, which took place late last winter or early last spring, when we sold the timber by public auction at the Russell House, after survey, estimate and advertisement, for something over \$800,000, besides the dues of \$2 per thousand feet.

Mr. J. A. CURRIE. How much timber was sold this year besides that?

Mr. OLIVER. I think the returns are in the annual report, but, answering off-hand, I would say that was the only sale during that year.

Mr. J. A. CURRIE. I wanted to know whether there was any sale since that return was published. The return comes down to last March. I want to know if anything has been sold since then?

Mr. OLIVER. I cannot give that information from memory. It will have to come at a later time. In regard to the questions asked by the hon. member for Algoma (Mr. Smyth) as to the carrying of a leading road through the Indian reserves north of Lake Huron, our records show that on January 31, 1908, we addressed a letter to the secretary of the advisory union of Algoma municipalities, one paragraph of which is as follows:

Before we can take up the question of the surrender with any degree of satisfaction, it is considered that a plan or sketch should be prepared and forwarded to the department, showing in a general way where the proposed road would enter and leave the reserves in question. If this were done, we would be able to meet the Indians with a fairly definite proposition. Without it, it is considered that much valuable time would be wasted.

That is the last communication we have in regard to the matter.

Mr. SMYTH. Has there been any communication between your department and