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\$5.50 per M., and paying to the Indians all monies received exceeding an average of \$35.00 per M. These are the terms of the agreement as set out in the document dated December 16th, a copy of which is on file, and the original of which was signed by Messrs. Walter and Dickinson, and Mr. Garrard and nine members of the Band, but it is apparent that additional terms were intended to be included in the contract which was to be prepared as requested in the document, namely: that all grades 1 and 2, spruce and cedar, were to be shipped to Vancouver where Grade 1 spruce was selling for \$30.00 a M., more than at Alberni; Grade 2 spruce for \$20.00 more; Grade 1 cedar for \$55.00 more; Grade 2 cedar for \$47.50 more; the Indians to pay from their profits the cost of getting the timber to Vancouver markets, which cost is established at \$12.00 per M.

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2. The agreement with the Tidewater Contracting Co. Ltd., which was being negotiated at the same time and which apparently was executed on December 26th, provides for payment of \$4.00 per M., to Band Funds, \$2.50 per M., to the Toquart Timber Trust Account, which account would be retained and administered locally by Mr. Garrard, plus one-half of the price per M., over \$35.00 on logs sold locally to the Alberni Pacific Lumber Co., and in the case of logs shipped to Vancouver, half of the price per M., over \$35.00, less the cost of getting the logs to the Vancouver market.

Some of the information above does not appear in the file enclosed, having been secured during discussions with Supt. Garrard, Mr. R.J.K. Ridell of the Tidewater Contracting Co. Ltd., and Messrs. Walter and Dickinson. The following additional information was also secured during the discussions referred to:

- None of the arrangements negotiated with the Band was carried out in the presence of the Indian Superintendent or his Assistant.
- 2. No permits have as yet been issued to members of the Band for removal of timber from this Reserve.
- 3. The Tidewater Contracting Co. Ltd., is presently removing timber from the Reserve under the terms of the agreement dated December 26th.
- 4. Apparently no consideration has been given to the necessity for a security deposit. A brief reference is made by Mr. Garrard to the assets of Messrs. Walter and Dickinson indicat-