

whether he is now in the employ of the Department or not, but the fact that his name is not to be found in the blue-book would seem to show that the Government did themselves the credit of removing him. Some of the Ministers will perhaps be able to say whether that is the case nor not. Now, with reference to this flour, are we to believe the testimony of these experts or not? How shall we be guided? The Deputy Minister believed that these statements were true, for he had calculations made for a reduction in the price of flour, and those reductions were to be made in the following way:—

An hon. MEMBER. Fifteen cents a sack.

Mr. PATERSON (Brant). The hon. gentleman will find that it was a good deal more than 15 cents a sack. That was Mr. Wadsworth's estimate but we have something different here. Here is a notification from the Department by Robert Sinclair, acting Deputy of the Superintendent General to I. G. Baker & Co. in which he says:

"I beg to inform you that it has been decided to reduce the price of flour for destitute Indians in Treaty No. 7, supplied by your firm during last year, to the following figures, on account of its inferior quality:—

"On Sarcee Reserve to.....	\$3 19
Blackfoot do	4 31
Stoney do	4 75
Blood do	4 43
Piegan do	4 43

"A corresponding reduction has therefore been made on the unpaid vouchers, and a reduction of those already paid as per statement herewith."

This is the letter to which I referred, but of which we have these particulars. On the 15th September, 1884, he writes:

"I beg to transmit to you herewith, copy of a letter by this Department, on the 1st inst., to Messrs. I. G. Baker & Co., at Fort Benton, Montana, showing the figures to which it had been decided to reduce the price of flour for destitute Indians delivered by your firm within Treaty No. 7, during the last year; also copy of memorandum showing the aggregate amount of said reductions.

"I beg to inform you that the basis upon which these reductions were made is as follows:—

Sarcee Reserve.

"The value of the flour delivered at Ottawa.....	\$1 50
Add for approximate value at Winnipeg.....	0 40
Add freight from Winnipeg to Calgary	0 40
Hauling.....	0 25
	\$2 55
Add 25 per cent for handling	0 64
Total.....	\$3 19

Blackfoot Reserve.

"Value at Ottawa.....	\$2 40
Add approximate value at Winnipeg.....	0 40
Add freight to Cluny Station	0 40
Hauling.....	0 25
	\$3 45
Add 25 per cent. for handling.....	0 86
Total.....	\$4 31

Stoney Reserve.

"Value at Ottawa	\$2 65
Add approximate value at Winnipeg.....	0 40
Add freight to Morleyville	0 50
Hauling	0 25
	\$3 80
Add 25 per cent for handling.....	0 95
Total.....	\$4 75

"The reductions are as follows:—

Sarcee Reserve.

"Contract price.....	\$8 00
Reduced.....	3 19
Total reduction per sack.....	\$4 81
On 300 sacks.....	\$1,443 00

Blackfoot Reserve.

"Contract price.....	\$7 50
Reduced to.....	4 31
Total reduction per sack.....	\$3 19
On 160 sacks.....	\$5,104 00

Stoney Reserve.

"Contract price.....	\$8 50
Reduced to.....	4 75
Total reduction per sack.....	\$3 75
On 100 sacks.....	\$1,375 00

Blood Reserve.

"Value at Ottawa.....	\$2 50
Add approximate value at Winnipeg	0 40
Add freight	1 65
	\$4 55
Add 25 per cent for handling.....	1 13
	\$5 68
On 155 sacks.....	\$880 40
Total reduction.....	\$7,802 40

The result is that there is a total reduction of \$7,802.40. That was the decision of the accountant with reference to the flour. Then there is a letter here from Messrs. I. G. Baker & Co., in which they demur to the reduction which is being made and they contend that the basis of calculation is scarcely fair, inasmuch as while the rates have been reduced since the time of writing they were entitled to the amount for freight which it cost them at the time they contracted, and there is some force in that we must admit. Some further correspondence was had with them, and it seems that he had a conversation with the deputy head of the Department as well, and the result of that conversation I will now read:

"24th September, 1884.

"Sir,—I have the honor to inform you in connection with the conversation which you had to-day with the Deputy Superintendent General of Indian Affairs, that a deduction of \$2,500.00 will be made by the Department from the amount of your contract to supply flour for Indian purposes within the limit of Treaty No. 7 during the year 1883-84.

"The deduction is made as being apparently the best method of settling the contract—with respect to which the Department has been advised that a portion of the flour delivered thereunder was inferior in quality to the grade provided for delivery in the contract. A portion of the flour supplied during that year also was delivered after the date of the last delivery provided for in your tender to supply that flour; and it has been considered that under these circumstances the flour should have been furnished at a price lower than that provided for by the contract.

"It is therefore in view of these several circumstances that the deduction of \$2,500.00 has been made, and I shall be glad to receive from you an acknowledgment of this letter and a statement of your acquiescence in this settlement.

"I enclose a copy of the mutual agreement between yourself and the Deputy Superintendent General.

"I have the honor to be, Sir, your obedient servant,
"R. SINCLAIR."

To which the firm replied:

"25th September, 1884.

"Sir,—I beg to acknowledge the receipt of your letter of 24th instant, and to say that under the circumstances I agree to the deduction of \$2,500.00 on flour furnished in 1883-84.

"Very respectfully, your obedient servant,
"W. G. CONRAD,
for I. G. BAKER & Co."

Now, I think I have shown, at greater length than I intended, that the agents of the Government did receive flour that was but 98-lbs. to the bag, that that flour was unfit for human food and was so pronounced by experts who examined it here; that the medical superintendent reported that as the result of using that flour there was sickness and death among the natives; that that flour was used for months; that flour sufficient to last for months was still on the reserve at that time; and that the agent who pronounced the flour to be sound, is still in the employ of the