

Re ; Your File No. 40112-1

Selkirk, Man.,
August 19th., 1943.

L.W.M. Cutcheon, Esq.,
Chief Treasury Officer,
Indian Affairs Branch,
Department of Mines & Resources,
OTTAWA.

RE: INDIAN INDEBTEDNESS & HOBSEMA AGENCY

I have received your letter of August 12th. asking for an explanation of an item appearing on the July Debt Returns from the above agency. This item was for \$34.00 and was shown as written off by the auditor.

I wish to state that at the time of my audit, I attempted to make a balance between the Creditor Debt accounts and those of the Debtors, and found them to be out by the above amount. A careful check of the items entered during the period failed to show wherein the difference lay and it might probably have been necessary to check back several years. I discussed the matter with the agent, and he informed me that in the case of the particular account in question the Indian had been wrongly charged for harness.. In order to reduce the Debtor accounts to equal those of the Creditors, I credited this account with \$34.00.

I may say that at the time there seemed to be nothing wrong with this procedure. However a long-range view of the matter makes me realize its seriousness. I realize that I exceeded my authority in this matter, and that I should have requested the clerk to make a careful check of the Debt Ledger to find where the discrepancy lay. I had no idea at the time of reducing the net indebtedness at all, but merely of getting the Debt Ledger in balance.

How it came about that it was found necessary for the agent to show a reduction in the Creditor accounts, I have no idea. It may be that the clerk had made a test of the Creditor and Debtor accounts and had found them out by the above amount due to some item which had been overlooked in my check.

No doubt the agent will have to be instructed to re-charge the item, no matter what the reason for showing the reduction in the debt.

I wish also to state that the Agent was in no way responsible, but that I am the only one to be blamed. I very much regret having made such a blunder.

AUG 23 1943

INDIAN AFFAIRS

W.R. Butchart.