

March 2, 1927.

Dear Dr. King,-

I have received your letter of the 28th ultimo, quoting reply from Mr. J. R. Nolan, of Fernie, B. C., with regard to the decision of this Department in connection with the removal of timber from the Tobacco Plains Indian Reserve.

I am convinced Mr. Nolan has to some extent misunderstood our decision in connection with this matter. Throughout the negotiations there was never any understanding that Mr. Nolan should receive credit on his present contract for the deposit of \$1660.40, forfeited in 1924. I quite appreciate Mr. Nolan's position in the matter, but the Department cannot be held responsible for his inability to conduct these operations profitably, and at the present juncture, were we to credit him with this amount, we would be doing the Indian owners a very grave injustice. In any case, as the situation exists at present, the Indians are not getting the full amount to which they are entitled, and it is quite impossible for the Department to meet Mr. Nolan's wishes in this regard.

Yours very truly,

[Handwritten signature]
Deputy Superintendent General.

[Handwritten initials]
Hon. J. H. King, M.D., M.P.,
Minister of Health,
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