

## CHAPTER 3

### CHRONOLOGY

This Chronology is organized year by year and covers the period 1896 to 1911. Each year is divided into sections. The heading “Western Development” contains miscellaneous information on trends in development, immigration, and land settlement. “Railways” contains information about main and branch line construction for the three major railway systems, although the author was unable to find comprehensive accounts of the construction of the Grand Trunk Pacific or the Canadian Pacific. “Indian Affairs Organization and Policies” contains miscellaneous information about developments within the Department, including issues that arose in the debates in the House of Commons, departmental circulars, and depositions of chiefs and headmen. The purpose is not to provide comprehensive information on the Department, but to mention some of the events that took place at the same time as the land surrenders. The primary events in the demand for land surrenders, in the taking of surrenders, and in land sales are also summarized in the chronology. The reader can assess each year as an entity, or trace the development of any one of these sections.

Nothing about the taking of surrenders in the prairies in this era can be divorced from other political and policy developments or from the economics of the times. Indian land sales were but a microcosm of practices found elsewhere, including patronage and fraud. Even though each surrender is in a sense unique, one can also see how both demand and practice evolved from one taking to the next. The experience of each First Nation was unique, but the experiences of the departmental officials, the Interior Department staff, or land speculators were not. Land speculation was an overwhelming factor in the early years of western settlement by non-natives, particularly among small-town lawyers, the ranchers, Toronto businessmen, manufacturers and bankers from Minneapolis, museum staff members from Chicago, and ambitious petty politicians in rural Ontario. Although the West was supposed to be bought by “actual” or “real” settlers – immigrants who homesteaded one or two quarters and paid taxes – these people were in many cases the second buyers. After homesteading, they bought their land from individual or corporate speculators. In this way, prices were driven steadily upwards during the Liberal era, 1896-1911, peaking in 1912 and dropping thereafter. Credit for this economic growth was often claimed by the Liberals, but in fact

the economy was rebounding from a worldwide depression in 1896. The “business” of the West that drove up land prices was Liberal only because of the extensive patronage in land deals.

## THE YEAR 1896

### Western Development

The end of prairie droughts, a rise in the price of gold, the stabilization of agricultural methods, and rising grain prices accompanied the beginning of the Liberal administration in Canada. The depression of the mid-1890s ended, and the economy improved tremendously, encouraging both agricultural and commercial development. At the same time, the gradual development of the rail system brought more areas into settlement and cultivation by newcomers. Rising land values in the southeastern United States forced some farmers into the Canadian West. Political instability in Eastern Europe made emigration to Canada attractive (Hedges 1939, 127-28). As much as Sifton and his fellow ministers liked to take credit for the economic boom of the Laurier era, much of it should go to basic economics, combined with the forces that caused people to leave the United States and Europe.

The railway grant system had come to an end in 1894, although not all the companies had selected lands within their reserves, and they would not until 1908. Attention then turned to homesteading the land in the even-numbered sections. At the outset of this period, the cancellation rate was nearly as high as the rate of entry, and over the next 10 years the majority of entries in some areas would be made by local professionals and businessmen rather than farmers. Their purpose was speculation, in spite of the residency requirements (Martin 1938, 40-49).

In the 1890s, the average wages for various occupations were as follows:

bakers	\$9 -14 per month
blacksmiths	\$1.50-3 per day
carpenters	\$2.50-4 per day
domestics	\$5-15 per month
lumbermen	\$25-35 per month
mechanics	\$1.50-3 per day
harness makers	\$6-10 per week
dressmakers	\$12-25 per month (Macdonald 1966, 368)

The sale of school lands began slowly, as the Liberal government took the view that the lands should be sold only when there was local demand – when other homestead and railway lands had been taken up or purchased, thereby creating a demand for the school lands sections (Martin 1938, 343-44). When grain prices or weather conditions dictated low returns for farmers, lands were not sold, because they could not command good prices. This variation should be taken into account in appraising the value of the school lands.

If the school lands were sold only when demand was at a peak, why were Indian lands not sold under the same conditions? The Hudson's Bay Company lands sold across the prairies at an average of \$5.64 per acre. CPR lands sold at an average of \$3.31 per acre (Martin 1938, 306-07).

In 1896 the pace of homesteading was just beginning to rise, with 1861 entries in the West (Dafoe 1931, 323). The number of cancellations was just as high, however. Over the next two decades, the rate of cancellation would hover at about 41 per cent. In 1896, 16,883 immigrants also came to Canada (Dafoe 1931, 316; Martin 1938, 431).

In spite of the general rise in land values during the years of the Liberal government, the actual determination of value must take into account a variety of local factors, such as distance from a railhead; soil quality, cover, and moisture; and the extent of clearing. This variety makes it difficult to compare prices from different areas. Land speculators in rural areas depended on information about any upcoming changes in value, particularly changes in railway routes and potential developments of townsites. Information was at a premium, as was the value of lobbying for the inclusion of existing communities along the routes of new railways.

## **Railways**

At the beginning of the Liberal era, the railway system consisted of the southern route of the CPR to Calgary and Lethbridge; the Calgary and Edmonton Railway from Fort Macleod to Edmonton; and the Qu'Appelle, Long Lake, and Saskatchewan Railway from Regina to Prince Albert. The Manitoba and North Western Railway extended from Portage la Prairie, on the CPR line, through Gladstone to Yorkton. The Northern Pacific and Manitoba Railway ran across southern Manitoba, south of Winnipeg. The Winnipeg Great Northern Railway extended as far as Oak Point on Lake Winnipegosis (see Regehr 1976, 22). Mackenzie and Mann had acquired the Lake Manitoba Railway and Canal

Company, the first building block of the Canadian Northern Railway (CNOR). Construction began on a line from Gladstone to Dauphin.

The CPR had short branch lines from Dunmore (near Medicine Hat) to Lethbridge, North Portal to Pasqua (just east of Moose Jaw), and from the Manitoba border to Estevan (Eagle 1989, 106). Planning was also under way for the Crow's Nest Pass line west to British Columbia.

Information on railway lines in these sections is incomplete because it has proven difficult to obtain a comprehensive listing of all the branch lines constructed for all three of the major firms.

### **Indian Affairs Organization and Policies**

In April, an election was called after the resignation of Conservative Prime Minister Mackenzie Bowell. Charles Tupper led the Conservatives through the campaign, but was unable to take the June election. The Liberals were strongest in the Maritimes and the West, and took 128 seats in the House, to 88 held by Conservatives. On July 13, 1896, the Conservative government was replaced by a Liberal administration under Wilfrid Laurier. In October, the Independent member for Brandon resigned his seat to allow Clifford Sifton, the former Attorney General of Manitoba, to run in a by-election. The following month, Sifton was appointed Minister of the Interior and Superintendent General of Indian Affairs.

From April to November, then, there was no clear leadership in the Department of Indian Affairs, and Hayter Reed, the Deputy Superintendent General, exerted an unduly strong influence. When Reed had left the Indian Commissioner's Office in Regina in 1893, he had put A.E. Forget in charge as Assistant Commissioner, with instructions to "do as Reed would do" in making decisions. Reed had reprimanded Forget for taking on responsibilities more properly left to agents, and the agents in turn became too reliant on the Assistant Commissioner's Office. Although Reed felt he was losing control of the Regina office, Forget was promoted to Commissioner (NA, RG 10, vol. 3059, file 253,792).

Meanwhile, accountant Duncan Campbell Scott had been pushing since 1888 to change both the power and the accounting structure within the Department. He recommended that all the accounting and most of the correspondence be done by Headquarters. The Commissioner's Office should concentrate on staff supervision and policy direction, rather than financial accounting, because

there was too much duplication of effort. He also proposed a revised accounting system whereby a series of ledgers be kept for each agency and matched against estimates (NA, RG 10, vol. 3059, file 253792).

Sifton moved immediately to reduce staff and to reorganize the Department. He adopted some of Scott's and Reed's suggestions, and he forced Reed from office. Forget, who had recently been promoted to Commissioner, was a Liberal, and Sifton relied heavily on his advice about staff changes. One of his first initiatives was to close the expensive Regina office. Although it was alleged that Forget hoped to be moved to Ottawa, the office was moved to Winnipeg in 1897 with a greatly reduced staff. As a result, the centre of power moved away from the field and into Ottawa, and opened the way for local officials at the agency and inspector level to exert more direct power (see Tyler and Wright 1978b, 65-67).

In general, Sifton's Indian policy was to keep the people on reserve while tightening fiscal and social controls. Education and economic development on the reserves would contribute to a decline in the old tribal ways and prepare the residents for integration into Canadian society. Many of the Department's policies in this era, such as sponsoring industrial schools and suppressing native religious practices, have been described well in the literature and will not be included here.

Conservative MP N.F. Davin asked in the House about reports that Commissioner Forget had sent a circular to Indian agents on the use of patronage lists (House of Commons, *Debates*, [?] 1896, 1683).

On September 1, 1896, Hayter Reed wrote to Agent de Cazes at Edmonton saying that the new departmental policy was to dispense with interpreters wherever possible. Agents should use the language themselves, or find men in the agencies who could interpret, including the Indians. "Still," he said, "it is our duty to dispense with the white men as soon as possible" (NA, RG 10, vol. 1119).

With Reed in his last days in office, the "peasant" policy was at an end. Labour-intensive industries would soon be replaced by land-intensive industries, as a means to self-sufficiency and assimilation. Reed tried to implement a sheep-raising industry on western reserves, complemented by a wool and garment industry, but, as agents in the field had predicted, this initiative was not successful (see RG 10, vol. 3877, file 91839, Reed to Forget, July 8, 1896).

Just before the Liberals took office, changes in the *Indian Act* in 1895 gave the Department broader powers to control band councils. Whereas previously only the Governor in Council could depose a chief or headman of an elected council, the amendments now gave the Department the power to depose the leaders of a band with customary leadership (NA, RG 10, vol. 6809, file 470-2-3, section 75). The revised *Indian Act*, section 70, also enabled the Department to spend a band's money for capital works on a reserve without first obtaining the band's consent. These moneys could include trust funds from land sales.

### **Depositions**

- Chief, Enoch, intemperance (OCPC 876/1896)
- Headman, Grand Rapids, bad influence (OCPC 2139/1896)

### **Surrender Practice**

The Passpasschase surrender near Edmonton in 1888 was the first of the large prairie surrenders. At that point the Department was testing its procedures. The Passpasschase people had been reduced by members taking scrip, and the idea arose of moving them onto the Stony Plain reserve (Enoch). The Band was encouraged to leave the reserve before the surrender actually took place. The Agent waited a year before finding three men who he thought were eligible voters and taking the surrender from them.

A standard form affidavit certifying that the *Indian Act* requirement had been met was used, although it was not taken until a year after the vote, and the use of pre-printed affidavits became standard practice. According to the Act, a judge, stipendiary magistrate, justice of the peace, or the Indian Commissioner could verify the signatures on the affidavit. Most affidavits would be taken by justices of the peace.

### **Surrender Sales**

The sale of surrendered lands on the prairies was to be guided by the Land Regulations passed in 1888 by Order in Council: *Regulations for the Disposal of Surrendered Indian Lands*. The relevant section read:

All sales subject to the conditions of the surrender

“Not more than four lots of 100 acres each, more or less, nor less than one such lot, or more than one section of 640 acres, or less than one-quarter of such sections shall be sold to any one purchaser.” [Minimum of one lot or one-quarter; maximum of four lots or four-quarters]

A minimum of one fifth of the purchase price must be paid at date of sale, and the balance paid in annual instalments with interest at 6% on each instalment from date of sale to date of payment. Payments to be made to the agent in the Agency in which purchase was made.

Settlement on the lot or lots shall consist of actual occupation and improvement of the land, which must commence within six months from the date of sale and be continuous for a period of three years; within which time there shall be cleared and fenced at least five acres in every one hundred acres; also a dwelling house of not less than 18 by 24 feet must be erected on the land.

Few of the sales over the years would require conformity to these terms, in particular the settlement conditions, including some sales where the Regulations were not formally overridden by Order in Council. Money from a sale was placed in a capital/trust account, and interest was drawn and placed in an interest account for the band. In 1896, the rate of interest was 3½ per cent.

Although the Passpasschase lands were put up for sale in 1891, the terms are worth noting. The land was subdivided and put up for sale in quarter sections. An upset value of \$3 per acre was placed on the land, and it sold, on average, for \$3.87 per acre; the first auction was held before the construction of the Calgary and Edmonton Railway was completed, thus reducing potential market value. The land that was sold went to speculators, and the Department was questioned in the House for allowing this to happen. When all the land was not in fact sold after two auctions, it was put in the hands of the Dominion Lands Agent and was sold by 1902. The use of the Dominion Lands Agent would be repeated for the Sharphead sales.

For this and all subsequent sales, a levy of 10 per cent for the Land Management Fund was placed on all collections. This fund had been established in 1857, with the purpose of paying for departmental administrative costs; it was to be maintained by taking 10 per cent from the collection of land and timber sales across the country. When the *Indian Act* was passed, the existence of the fund was legislated in section 70 to cover the expenses of the administration of land, property, and reserves. In fact, it was used for salaries and expenses for a variety of purposes and was depleted. Between 1892 and 1912, a parliamentary appropriation had been voted towards maintaining the fund,

in addition to the levies. In the West, the fund was commonly understood as a type of administrative surcharge for the costs of handling sales. In 1911, when the people of Cowessess hired a lawyer to represent them on sales issues, Indian Agent Matthew Millar told them, on departmental advice, that the surcharge was the purpose of the fund (Tyler nd(a), 127). People gradually became aware, however, that the bulk of the fund was going to salaries and to expenses claimed by agents in Ontario and Quebec, whereas most of the collections were being made in the West. In 1911-12, over \$35,000 was spent in Ontario and Quebec, whereas over \$28,000 was collected from the three prairie provinces and the Northwest Territories (OCPC 2901/1913, November 17, 1913; NA, RG 10, vol. 6813, file 481-1-27).

## **THE YEAR 1897**

### **Western Development**

When Clifford Sifton became Minister of the Interior, he began in 1897 to expand the system of soliciting immigrants, particularly from the United States. Frank Pedley, as Superintendent General, was responsible for the operations of the Immigration Branch of the Department of the Interior. As part of this initiative, field offices staffed by agents were opened throughout the United States, and subagents were paid a commission for every immigrant they brought into Canada. The Inspector of U.S. Immigration Agencies was William J. White of Brandon, a business associate of Sifton and James Smart. Both White and Smart were Liberals (Tyler and Wright 1978b, 69-73. See also Appendix E).

Sifton also began to push for immigration from Europe, including Eastern Europe, providing for an influx of Russians, Ukrainians, and Galicians. This move was not universally popular, but Sifton believed that most of them would make good farmers.

In addition, Sifton made changes in the government of the North-West Territories. In 1887 the territories – Alberta, Saskatchewan, and East and West Assiniboia – had evolved from a council to an assembly, the majority of whose members were elected, though some were appointed. Some of the elected members, such as Frank Oliver, F.W.G. Haultain, J.G. Turiff, and James H. Ross, had been pushing for a more responsible government. Haultain was, in fact, recognized as *de facto*



premier in 1892. Sifton had legislation passed in 1897 which made the executive committee into a salaried council with more powers to exert control over the budget (Dafoe 1931, 128-29).

Hudson's Bay Company lands sold on the prairies at an average of \$4.94 per acre. CPR lands sold at an average of \$3.17 per acre. The volume of land sold was double that of 1896 (Martin 1938, 306-07).

### **Railways**

The Lake Manitoba Railway and Canal Company completed the distance between Gladstone, Manitoba, and Sifton Junction, just past Dauphin. It also built a line up to Lake Winnipegosis (Regehr 1976, 60).

Sifton got involved with the planned Crow's Nest Pass Railway, which was intended to proceed from Lethbridge into the mining region to the west, and to create a Canadian route for transporting products to market. At issue was the extent of government assistance that might be provided to the CPR to build the line. Sifton was the principal negotiator for the government with the CPR, and the agreement reached in June was for a subsidy of \$11,000 per mile for the line between Lethbridge and Nelson. In return, the CPR agreed to reduce freight rates on a series of products, including grain (see Hall 1981, 1: 149-55).

### **Indian Affairs Organization and Policies**

James Smart was appointed DSGIA and Deputy Minister of the Interior. This is the first time that Indian Affairs and the Department of the Interior had the same bureaucratic head. Smart had been a merchant in his family's business in Winnipeg before establishing himself in Brandon in hardware. He became involved in municipal politics and expanded his business interests. He served as mayor of Brandon before entering the race for MPP in 1886. Two years later he became Minister of Public Works, but his provincial career ended when he was defeated in 1892. He returned to his business interests in Brandon, in real estate, loans, insurance, mercantile goods, and machine works, building up an extensive range of contacts by the time he was brought to Ottawa by Sifton (Tyler and Wright 1978b, 63-64).

### Departmental Circulars

- In view of the reorganization and the move of the Commissioner's Office from Regina to Winnipeg, agents are now to send to the Commissioner's Office their monthly reports, reports on employees, school returns, and any correspondence relating to staffing or estimates.
- All other correspondence is to go directly to Ottawa, including vouchers, accounts, bills, beef statements, requisitions, annual reports and returns, semi-annual progress reports, reports of medical officers, monthly paysheets, cash books, agency store returns, grist and saw mill returns, months reports on schools, and school attendance records.
- The usual ledgers, cattle and implement records, and circular books are kept in the Agency office (NA, RG 10, vol. 3086, file 279222-1).

A memorandum from Commissioner Forget to the Minister on May 25, 1897, outlined the organizational changes that had been made by Sifton and Forget in Manitoba. The former superintendency would be divided into three inspectorates:

- Lake Winnipeg: Inspector E. McColl, former Superintendent  
Rat Portage: Inspector L.J. A. Levecque, McColl's former clerk  
Lake Manitoba: Inspector Samuel Reid Marlatt (NA, RG 10, vol. 3877, file 91839-1)

The North-West Territories was divided into three inspectorates:

- Battleford: W.J. Chisholm
- Qu'Appelle: Alexander McGibbon
- Calgary: T.P. Wadsworth (NA, RG 10, vol. 3877, file 91839-1)

The Commissioner was still A.E. Forget, and his clerk was J.W. Mitchell. Both of their salaries increased (NA, RG 10, vol. 3877, file 91839.1, Forget to McLean, December 30, 1897).

The inspectors would, ideally, make semi-annual visits to the agencies and report to the Commissioner's Office, although agents were told to correspond directly with Ottawa in most matters. Meanwhile, the inspectors themselves would report to Ottawa on some issues. This system would lead to confusion, and would provide great potential for manipulating channels of communication.

Approximately 40 employees at the agent, farm instructor, interpreter, and clerical levels were dismissed, although many would later be brought back in or replaced. L. Vankoughnet's nephew was

among those released and not brought back in. Ten agents had their salaries reduced. The projected savings was \$27,249. This reorganization provided an opportunity to bring Liberal favourites in and to remove those who were not of service. In the end, expenditures rose (Tyler and Wright 1978b, 67-68).

### **Patronage List**

- James A. Smart wrote to Forget asking whether his friend William Miller of Brandon might have the opportunity of tendering on any work at Elkhorn school (NA, RG 10, vol. 1121, letter of August 31, 1897).
- Smart wrote to Hon. J.H. Ross of Regina replying that he had placed D.A. McDonald of Regina on the patronage list for the purchase of machinery (NA, RG 10, vol. 1121, letter of August 18, 1897).
- Smart wrote to Massey-Harris promising patronage for farm implements (NA, RG 10, vol. 1121, letter of August 17, 1897)

### **Depositions**

- Chief, Cumberland Band, for incompetence (NA, RG 10, vol. 1120, memo of June 21, 1897)
- Headman, White Bear, November 23, for being a “baneful influence” (NA, RG 10, vol. 1121)
- Chief, St Peter’s (OCPC 773/1897)
- Headman, Enoch (OCPC 1975/1897)

Frank Oliver pressed to have Agent de Cazes of the Edmonton Agency removed, so he could put a Liberal in that position.

### **Surrender Demands**

The Indians of Sharphead (Wolf Creek) reserve asked to transfer to other bands. Most had left their reserve, and Frank Oliver wanted to have the Wolf Creek reserve opened to settlement.

Oliver also contested Agent de Cazes’s view that the Stony Plain reserve had value for the Indians. He called in the press for a surrender of the reserve, which was near Edmonton and the Calgary and Edmonton Railway. Some unhappy band members supported the request.

### Surrender Practice

At Sharphead, Commissioner A.E. Forget took the surrender from nine voters, all former residents of Wolf Creek who were now living at White Whale Lake. No voters living elsewhere appear to have been consulted. Forget also acted as justice of the peace for the affidavit.

The Young Chipeewayan and Chacastapaysin surrenders were also significant in 1897. As at Wolf Creek, no one was living on the reserves at the time of the demand for the surrenders. Young Chipeewayan was taken without a surrender, just before a reaffirmation of a Justice Department opinion that a surrender was nonetheless necessary. Most of the band members had already transferred informally to other bands at the time of the taking.

The Young Chipeewayan Band had signed Treaty 6 and had had the reserve surveyed in 1879 by George Simpson. Following a difficult winter, the Band left the reserve in search of food and never returned. It became migratory, and some members left to join other bands. By 1885, the time of the North-West Rebellion, there were only two families left, and, within a few years, they joined Thunderchild.

In 1895, the reserve came to the attention of the Department of the Interior, on behalf of immigrants in the area, and the question of surrender was posed to the Indian Department. As usual, Commissioner Forget was consulted, in this case about finding band members and obtaining formal transfers; DSGIA Reed held that if this step was taken, pursuant to the 1895 *Indian Act* amendment, no surrender would be required. Forget pointed out in 1896 that it would be difficult to trace the former band members, and Reed concurred. The Department of the Interior asked for an Order in Council transferring this reserve, and the Chacastapaysin reserve, to its jurisdiction. Given the transitions in governments after April 1896, the matter remained at a standstill until after Sifton entered office in November 1896. Forget was again consulted, and repeated the difficulty of finding former members, although he also stated that this difficulty did not necessarily mean that a surrender was not necessary. Sifton ordered that the reserve be transferred without surrender.

On May 11, 1897, an Order in Council was passed transferring the Young Chipeewayan reserve to the Department of the Interior, on the basis that the reserve had not been occupied, the members had participated in the Rebellion, and they had moved to other reserves and bands. Three

days later, on May 14, the Justice opinion requiring a surrender in cases of abandoned reserves was released (Townshend 1985, 27-28; Indian Claims Commission 1994, 183-91). See Chapter 5.

The Chacastapaysin surrender had some similarities to the Young Chipeewayan. The reserve was surveyed in 1878, but the members lived there until 1888-89, after the Rebellion. Since many members had participated in the Rebellion, however, this reason was used for the surrender. The first discussions about a potential transfer and sale took place in 1891, but it was thought advisable to wait a few years until prices were better.

In 1895, the Department of the Interior began to press for a surrender, after a visit by the Minister to the area. Forget was instructed to obtain formal transfers, and Reed advised that a surrender was not necessary if the transfers were obtained. In this instance, transfers were sought, and the process took some time. In May 1896, the Cumberland 100A Band agreed to accept most of the Chacastapaysin band members, but a few joined other bands. The paperwork was slowly put into place. Sifton approached this case cautiously because there were known band members, and previous Justice opinions had concluded that a surrender was necessary. He ordered the matter sent to Justice again. The reply was too late to influence the Young Chipeewayan reserve situation, but came in time to convince the Department to take a surrender in this instance, as it did at Sharphead. The surrender document was signed on June 23, 1897, and signed by nine people residing with the Cumberland 100A Band. It is not known if band members residing elsewhere were consulted, but the terms of the surrender were such that the proceeds from sale were to be divided pro rata among the bands that had taken in former Chacastapaysin members (Townshend 1985, 29-30).

### **Surrender Sales**

In 1897, the rate of interest being paid on capital trust accounts to the bands was reduced from 3½ per cent to 3 per cent. The interest rate was originally 5 per cent, and dropped to 4 per cent in 1883 with the recession, and 3½ per cent in 1892 (NA, RG 10, vol. 8107, file 1/28-1, memorandum from J.M. Courtney, December 16, 1897). According to a letter from Secretary McLean to Markle on September 15, 1908, any moneys deposited in a trust fund after April 1 of a new fiscal year did not begin earning interest until the following April (NA, RG 10, vol. 3702, file 17,537-3).

## **THE YEAR 1898**

### **Western Development**

Hudson's Bay Company lands sold on the prairies at an average of \$5 per acre. The volume of sales was six times that of the previous year. CPR lands sold at an average of \$3.13 per acre (Martin 1938, 306-07).

### **Railways**

The Lake Manitoba Railway and Canal Company and the Winnipeg Great Northern Railway and Steamship Company/Hudson Bay Railway amalgamated in 1898 to form the new Canadian Northern Railway Company, fostered by the partnership of Donald Mann and William Mackenzie. D.B. Hanna became its primary administrator, and Z.A. Lash its solicitor.

The former Lake Manitoba Railway and Canal Company line was extended past Dauphin to Cowan (Regehr 1976, 78).

The Pipestone extension of the CPR was under way, moving into the Moose Mountain area.

### **Indian Affairs Organization and Policy**

N.F. Davin, Conservative MP, asked in the House why the Commissioner's Office was being moved to Winnipeg, given the greater number of reserves in the North-West Territories. The Prime Minister responded that the move would make the office more convenient and economical (House of Commons, *Debates*, February 14, 1898, 452).

On June 2, Davin again raised the issue. According to Davin's information, Forget had actually wanted to go to Ottawa, not Winnipeg, so that was not the real reason for the move. Rather, the Department of the Interior had moved the Lands Office out of Winnipeg, and had appeased opposition by putting the Indian Commissioner there instead. The Indians of the West had become familiar with the Commissioner's Office, Davin said, and he predicted that the Indians of the Crooked Lakes reserves would get further demoralized when they could no longer see Forget and his staff. Davin was challenged by T.O. Davis, Liberal, who said it was well known that "not one out of a hundred Indians ever see the commissioner more than once in two years." Sifton, in defence, said that the move was one of convenience and ease (House of Commons, *Debates*, June 2, 1898, 6847-51).

On the same day, Davin challenged the dismissals that had accompanied the reorganization. These dismissals “were clearly dictated by the view as to the political complexion of the parties taken by Mr. Forget.” T.O. Davis replied that there were good reasons for the dismissals.

In the Commissioner’s Office, Forget’s clerk J.W. Mitchell was sent to the Muscowpetung Agency, and John Bean Lash was brought into the Winnipeg office (NA, RG 10, vol. 3877, file 91839-1). Forget was promoted to Lieutenant Governor, and David Laird became Indian Commissioner.

### **Departmental Circulars**

- Agents and instructors were asked to make a special return of crops that had been sown and harvested. Agents were asked to make the usual return of agricultural and industrial statistics.
- Standards for the quality and type of supplies were set: for bacon, beef, ammunition, and lines.
- A “Bull Fund” was set up to promote the cattle industry. Each Indian selling an animal was obliged to put \$2 towards the fund (NA, RG 10, vol. 1621).

### **Patronage List**

#### *Calgary*

- A. McBride and Co., hardware
- Allen and Co., Glanville and Robertson, dry goods
- Glanville and Robertson, J. Diamond, W. Diamond, Calgary Clothing Co., clothing
- J.B. Kelly and F. McDonald, boots and shoes
- J.B. Vanwart, A.W. Ward, Worden Bros., groceries T.G. McLelland, meats
- J. Lee Johnson, Vanwart and Co., farm implements
- W. MacLean, C.A. Wallance, J.G. Templeton, C.H. Bott, drugs
- Vanwart and Co., lumber
- R.A.G. Bell, livery
- McTavish Bros., Jarrett Bros., blacksmiths
- H. Church, D. J. Gunn, J. Creighton, carpenters
- Neilson Furniture, F.F. Higgs, furniture
- J.V. Binning, printing (NA, RG 10, vol. 1122, McLean to Laird, December 23)

*Fort Pelly*

- E.A.W.R. McKenzie, merchants (NA, RG 10, vol. 1121)

James Smart recommended to Commissioner Forget, at Frank Oliver's suggestion, that W.R. Stewart of Macleod should get departmental business in the purchase of bulls (NA, RG 10, vol. 1121; Smart to Forget, February 9, 1898).

In 1898, a series of letters was exchanged about the advisability of T.O. Davis, Liberal MP for Prince Albert, being on the patronage list, and it was decided that he should not be. Agent R.S. McKenzie at Duck Lake had been using his store in Duck Lake (NA, RG 10, vol. 1121).

Frank Oliver was asked to name a successor for the farming instructor at White Whale Lake (NA RG 10, vol. 1121, McLean to Oliver, April 1, 1898).

**Depositions**

- Headman, White Bear, for not allowing his children to attend school and setting a bad example (NA, RG 10, vol. 1121, memorandum September 11, 1897).

**Surrender Demands**

N.F. Davin, Conservative MP, asked in the House about an additional survey of land in the Qu'Appelle Valley of Saskatchewan, to be added to Muscowpetung's reserve on the north side of the river. He repeated a protest, printed in the paper at Indian Head, that too much good farm and timber land was being surveyed into reserves and out of access to settlers. Quoting the article, Davin said: "We insist upon this practice being discontinued. It is creating a discontent which must result in retarding immigration into those districts; furthermore, that discontent is liable to find expression in a manner which may surprise the government" (House of Commons, *Debates*, February 15, 1898, 518-19).

James Smart identified the Moose Mountain Assiniboine reserves as possible sites for a Galician settlement. The construction of the Pipestone railway extension would allow settlers to move into that region.

The voters of Stony Plain pressed for a surrender of the Enoch reserve on the basis that it was unhandily located between them and Edmonton.



In both the Moose Mountain and Stony Plain cases, the Department began to ponder whether a decrease in population would warrant a reduction in the size of the reserve. This view came from Surveyor Samuel Bray and from Secretary J.D. McLean. Clearly, the issue had arisen with the reserves where there had been ostensible abandonment, but in these and other cases, such as the Pelly haylands in Saskatchewan, the focus shifted to those reserves that were in use, but where the populations had diminished. The general public was also beginning to notice that these blocks of land had relatively few inhabitants.

### **Surrender Practice**

In 1898, a surrender was taken of the Gambler's reserve 63 at Silver Creek, Manitoba. This reserve had been surveyed in 1883 for the followers of the Gambler and John Rattlesnake. Fifteen square miles of the original reserve was surrendered in 1892, when some band members, following John Rattlesnake, received a reserve at Valley River. This surrender reduced the reserve to half its original size. It was probably the first surrender taken by John Markle, the agent at the time, who would go on to take surrenders in Alberta after he became the Inspector there in 1904. Markle appears to have consulted only the Valley River people, and not those living at Silver Creek in 1892, who were the family of John Tanner. Markle delayed a full year before submitting the affidavits.

The second surrender, in 1898, evolved from demands by local settlers; Tanner did not initially approve the idea, but was open to negotiations. In 1897, several discussions were held between Tanner and Agent Markle. Tanner wanted to keep three sections of the reserve for his family, and Markle allowed 800 acres to remain in reserve status. Tanner signed the surrender document on January 14, 1898; there were no other voters. All the remaining Silver Creek reserve, except for the 800 acres, was surrendered and put up for sale by the Department (Townshend 1989, 128-46).

## **THE YEAR 1899**

### **Western Development**

The work of bringing settlers into Canada increased in pace. A group of Hungarian settlers, initially led by Zoltan von Rajcs, made an agreement with Canada to purchase the surrendered Chacastapaysin

reserve at \$1.50 per acre. The scheme was arranged with the assistance of T.O. Davis, MP from Prince Albert. It would fall apart a year later (see Tyler and Wright 1978b, 99-103).

The Doukhobors began to enter the West this year. Three colonies were located in the Pelly area, near Kamsack and Swan River. One was in the Blaine Lake region of Saskatchewan, and another near Elbow, Saskatchewan (Morton 1938, 112).

The activities of the U.S. agents were assisted by an agreement with the CPR to bring prospective farmers into Canada at reduced rates. Wilbur V.H. Bennett, the Omaha agent, worked for both the CPR in land sales and for the Department of the Interior, and the CPR in turn assisted him in his immigration work (Tyler and Wright 1978b, 107-09).

The number of immigrants from Europe, including the 7400 Doukhobors and the 6914 Galicians in 1899, had exceeded the number of people coming from Britain or the United States, and the Liberals were being criticized for this imbalance. The Galicians, from Austria, Russia, and the Ukraine, were particularly criticized for their peasant backgrounds. Sifton was advised to cancel the existing system of publicly offering bonuses for shipping agents who brought immigrants in from Europe (Hall 1981, 1: 261-65).

Sifton did cancel the system, but he substituted a new organization that had the same purpose. James Smart, Deputy Minister of the Interior, helped to establish a system of booking agents in Europe. He was assisted by W.T.R. Preston, Commissioner of Immigration, and Lord Strathcona, who had charge of immigration operations in Great Britain and on the Continent. A highly confidential company, the North Atlantic Trading Company, was set up, and the names of the directors were kept secret by the government. According to Laurier, they were all part of respectable shipping firms. Their purpose was to sort through prospective immigrants and select those most fit. Agents who did this selection, and booked passage for the immigrants, were paid \$5 per head of family over the age of 12, and \$2 for each suitable family member (Dafoe 1931, 319-20; Hall 1981, 1: 265-66). Oliver discontinued this controversial company when he became Minister in 1905.

Hudson's Bay Company lands sold on the prairies at an average of \$4.80 per acre; CPR lands sold at \$3.11 per acre. Qu'Appelle, Long Lake, and Saskatchewan Railroad lands went on the market, selling at an average of \$2.92 per acre. The Calgary and Edmonton Railway lands went on the market also, at \$2.15 per acre (Martin 1938, 306-07).

## **Railways**

The newly formed CNOR received a new federal charter to build extensive new mileage, and the charter prohibited amalgamation with the CPR. The new company absorbed the Manitoba and South Eastern Railway and completed the old Lake Manitoba Railway and Canal route as far as Swan River.

## **Indian Affairs Organization and Policies**

N.F. Davin, Conservative MP for West Assiniboia, challenged Sifton in the House on June 22 over tendering and patronage. Sifton said that all supplies, except minor items, were bought by tender subsequent to public advertising (House of Commons, *Debates*, June 22, 1899, 5698-99).

Accountant D.C. Scott complained that the inspectors were not visiting the agencies frequently enough and that more inspectors were needed. Inspector Wadsworth in particular was criticized. As agents handled more and more funds from the sales of crops and cattle on reserve, they needed more help and supervision. Three days after Scott wrote his January 20 memo, J.D. McLean recommended against it, saying that the inspectors needed to use their time more efficiently (NA, RG 10, vol. 3877, file 91839-1).

### **Departmental Circulars** (signed by J.D. McLean)

- Quarterly returns on cattle to be submitted.
- Departmental authority required for disposal of surplus beef to outside purchasers; to be sold to highest bidder.
- Money from these sales to be funded for the Indians; purchases to be paid out of this account to be forwarded to the Department.
- No cattle under three years to be sold without special permission.
- Vouchers for sale of items or materials to be submitted in duplicate: Why the article was sold? Who authorized it? Was it the best price?
- NWMP veterinary surgeons to be employed also by Indian Affairs (NA, RG 10, vol. 1621).

## Patronage

### *Prince Albert*

- James McArthur
- H.P. Mitchell, C. McDonald, drugs (NA, RG 10, vol. 1122, McLean to T.O. Davis, January 10, 1899).
- Mitchell struck off in March (NA, RG 10, vol. 1122, McLean to T.O. Davis, nd).
- Alexander Stewart, Massey-Harris, added August 1899 at recommendation of T.O. Davis (NA, RG 10, vol. 1123).

### *Edmonton*

- Oliver recommends adding Frost and Wood for implements (NA, RG 10, vol. 1122, McLean to Smart, April 11, 1899).

### *Regina*

- Richard Sweet, agent of Frost and Wood, Edmonton, added to the list for implements (NA, RG 10, vol. 1122, McLean to Laird, May 4, 1899). John Fisher, groceries (NA, RG 10, vol. 1123, McLean to Laird, May 29, 1899).

### *Brandon*

- James A. Smart attempts in a May 1, 1899, letter to Thomas Harkness to have J.E. Smith of Brandon contracted to provide bulls (NA, RG 10, vol. 1122).

### *North Battleford*

- Blowin and Dillingham, drugs (NA, RG 10, vol. 1122, McLean to Laird, January 30, 1899). A. McDonald, printing (NA, RG 10, vol. 1123).

### *Wolseley*

- A.D. Ferguson, Wolseley, given Assiniboine drug patronage (NA, RG 10, vol. 1123, McLean to Paget, October 24, 1899).

### *Manitoba*

James A. Smart requested that Mr Leonard of Stonewall, druggist, be placed on list (NA, RG 10, vol. 1122, Smart to Laird, March 30, 1899).

## **Depositions**

- Headman, Little Black Bear, for intemperance, not getting along with agent, setting a bad example (NA, RG 10, vol. 1123, memo of August 14, 1899).

## **Surrender Demands**

The Edmonton Board of Trade made a call for the surrender of the Enoch/Stony Plain reserve.

R.L. Lake forwarded requests from settlers to open up the Crooked Lakes reserves; these requests had been in existence since 1885, because the reserves were close to the main CPR line. Surveyor Ponton agreed that the bands had an excess of land under treaty for their current populations.

A request was made in the House of Commons about a surrender of Swan Lake IR 7.

## **Surrender Sales**

An agreement was reached in June with a group of Hungarian settlers to sell the Chacastapaysin reserve near Prince Albert, with the assistance of MP T.O. Davis. It would fall through a year later, and the land would be tendered for sale (see Tyler and Wright 1978b, 99-103).

Negotiations began to sell the Ocean Man and Pheasant's Rump reserves to a group of Bohemians, although they were not yet surrendered.

The surrendered Sharphead reserve lands were placed in the hands of the dominion lands agents in that area for sale. The terms of sale were amended from the Land Regulations to reduce the residence period of purchasers to one year, instead of three years. The land was bought on a five instalment plan, at 6 per cent. Agents and subagents were paid a commission of 5 per cent for collecting payments from purchasers; this fee was taken from funds that would otherwise have gone to the bands.

## **THE YEAR 1900**

### **Western Development**

In April 1900, Sifton began to allow holders of scrip to open an account with the Department of the Interior. They could deposit scrip into the account, and then draw on it to buy dominion lands (NA, RG 27, Sifton Papers, Letter Book, April 3, 1900 – May 6, 1901, Sifton to Oliver, April 12, 1900).

Later in 1900 there was a general election, and the Liberals retained control of the House. Sifton won re-election against Hugh Macdonald (son of John A. Macdonald), who had resigned as premier of Manitoba to run.

Hudson's Bay Company land sold on the prairies at an average of \$5 per acre. CPR lands sold at \$3 per acre, and the Qu'Appelle, Long Lake, and Saskatchewan Railway lands sold at \$2.85 per acre. Calgary and Edmonton Railway lands showed a greatly increased volume of sales, at \$2.75 per acre. The volume of land sales was increasing for all these companies (Martin 1938, 306-07).

Oliver estimated the average price per acre for land sold on the prairies in 1900 to have been \$3.27 per acre (House of Commons, *Debates*, April 14, 1915).

Sifton said in the House of Commons on February 13, 1901, that there had been 44,697 immigrants in 1900. The largest group was from the United States (15,500), followed by England and Wales (8184), Galicia (6593), and Scandinavia (2380) (House of Commons, *Debates*, February 13, 1901, 86).

## **Railways**

In northern Manitoba, the CNOR extended a line from Swan River to Erwood. The CPR obtained a long-term lease of the Manitoba and Northwestern Line.

## **Indian Affairs Organization and Policies**

### **Departmental Circulars** (signed by J.D. McLean)

Instructions for agents in correspondence:

- All correspondence to go to the Departmental Secretary.
- Vouchers to be classified as agricultural implements or tools, agency buildings, beef, cattle, drugs and medicines, express and freight charges, fuel and light, horses, hay and fodder, postage and mail, travel, wages, wagon horses, and repairs.
- Rations for employees to be discretionary; they cannot be exchanged for other goods or sent to relations off reserve. Allowance should not be exceeded, though they can be exchanged with Indians for other food items.
- Liquor infractions to be reported.
- All employees to be honest and of good moral principles. They should set a good example and not be involved in immoral activities with Indians. They should not drink liquor.

- Indians making deposits to be given receipts, and the entry placed in the cash book.
- All rules for employee rations to be rescinded at the end of the year at Sifton's direction, except for the rule that allowances should not be exceeded (NA, RG 10, vol. 1621).

A debate in the House of Commons, on June 22, 1900, about rations and supplies for destitute Indians raised the issue of departmental obligations. James Sutherland of North Oxford was explaining the departmental estimates and was challenged on this item. G.E. Foster of York, New Brunswick, Conservative, argued that this sustenance was not "charity," but a treaty obligation. Sutherland said that these supplies were voted only in the case of starvation, and Foster asked who was to be the judge of that (House of Commons, *Debates*, June 22, 1900, 8124-25).

In 1900, Oliver, then an MP, sponsored petitions from hotel owners across Alberta and Saskatchewan to get the *Indian Act* amended to allow the prosecution of Indians who attempted to go into a hotel or liquor store to buy liquor. The hotel owners believed that it was unfair that the suppliers were the ones who were getting charged (NA, RG 10, vol. 6809, file 470-2-3/4).

### **Patronage**

#### *Wolseley*

- A.D. Ferguson was taken off the drug list, and W.A. Wright of Sintaluta was added (NA, RG 10, vol. 1123, McLean to Laird).
- Dr Bonju was recommended by the Regina Liberal Association to get the medical work in Wolseley, over Dr Edwards (NA, RG 10, vol. 1124, McLean to Laird, December 10, 1900).

#### *Calgary*

- George H. Mitchell, groceries (NA, RG 10, vol. 1124, McLean to Laird, September 11, 1900).

A series of letters in September 1900 revealed an attack made on Sifton via a letter written by a J. Dougall of the *Montreal Witness* to the Rev. John Thunder at Pipestone; apparently it pertained to criticisms being made of the conduct of various Indian agents. Thunder is the same individual who wrote in praise of Markle before the latter's transfer to Alberta. Sifton wrote to his assistant secretary and said that these men had all been appointed on the recommendations of the

members of Parliament, and that it had not always been possible to control their loose behaviour. No names were mentioned (NA, MG 27, Sifton Papers, Letter Book, August 28–November 17, 1900).

In April 1900, a memo was sent by Sifton to the Acting Superintendent General about the behaviour of agents in the field. R.S. McKenzie had made himself “unpopular” with the people, and his removal was considered a political necessity.

MP J.M. Douglas of Moosomin had complained that Agent Jones at Pelly had failed to patronize E.A.W.R. McKenzie. Jones had also issued too many rations and had not stopped the liquor trade. An exchange was arranged. At the same time, Douglas, J.H. Ross, and Walter Scott had pressed to have J.P. Wright removed from Touchwood Hills. No recent problems could be found, and it was suggested that he should trade places with Magnus Begg from Fort Frances (NA, MG 27, Sifton Papers, Letter Book, April 3, 1900–May 6, 1901).

Sifton also wrote to Oliver on September 15, 1900, asking him to come to Regina to assist Walter Scott with his campaign; Sifton was visiting Scott at the time. Sifton was in Fort Qu’Appelle and dealt with the issue of whether Father Hugonard should be removed from the school there, for an unknown issue. He also made contact with D.H. McDonald, who was involved in the matter (NA, Sifton Papers, MG 27, Letter Book, April 3, 1900–May 6, 1901).

Patronage for appointments ran through T.O. Davis at Prince Albert, Millar/Douglas at Moosomin (East Assiniboia), Walter Scott for West Assiniboia, Bill McCreary in the Winnipeg area, and Frank Oliver in Alberta.

### **Depositions**

- Headman, Enoch reserve, for intemperance (NA, RG 10, vol. 1123, memo, January 26, 1901).
- Two headmen, Broken Head, for intemperance (NA, RG 10, vol. 1124, memo June 7, 1901).

### **Surrender Demands**

A report prepared by T.G. Rothwell for the Department of the Interior on the St Peter’s land claims included a suggestion of a surrender of the entire reserve as part of a proposed solution to claims. William McCreary, a friend of Sifton, got elected to the House of Commons for Selkirk and began to press for a surrender.



The residents of Emerson and Franklin, Manitoba, sent petitions to have the Roseau River reserve surrendered.

### **Surrender Sales**

When the Gambler's reserve land was put up for sale in 1900, Indian Agent Markle was allowed to sell it, according to the departmental regulations. The terms were one-fifth down, the balance in four instalments, and one year's residence on the land. The minimum prices for each quarter were set by the Indian Agent. There was no immediate demand for the land, and it did not sell right away. Commissioner Laird recommended the use of the terms endorsed by the provincial government and by the land companies, one-tenth down in cash and the balance in nine payments, with interest at 6 per cent. In May 1901, the terms of sale were so amended to facilitate sales (Townshend 1989, 146-47; NA, RG 10, vol. 3561, file 82/2).

## **THE YEAR 1901**

### **Western Development**

Conditions were improving in the West, and the flow of immigrants was increasing. The number of homestead entries was 8167, up from 1861 in 1896 (Morton 1938, 128). The majority of new residents were coming from eastern Canada, Great Britain, and the United States at this time.

The price of No. 1 Northern Wheat at Winnipeg was 75 cents a bushel, and this price would prove to be the beginning of a steady rise (Morton 1938, 125).

Hudson's Bay Company lands sold on the prairies at an average of \$4.85 per acre; CPR lands continued to sell at \$3 per acre. The Qu'Appelle, Long Lake, and Saskatchewan Railway lands sold at \$3.36 per acre, and the Calgary and Edmonton Railway lands sold at \$3 per acre (Martin 1938, 306-07). Later, Oliver estimated the average price per acre for land sold on the prairies in 1901 to have been \$3.36 per acre (House of Commons, *Debates*, April 14, 1915).

The land sales of the CPR were flourishing, but much of the volume went to speculators, primarily from the United States. These speculators were willing to choose land with somewhat less immediate market potential, on the expectation that it would increase in value. For instance, in 1901 three North Dakota businessmen, A.D. Davidson, Martin and Beiseker, bought 170,000 acres in the

Pasqua district of East Assiniboia. They formed the Canadian-American Land Company based in Minneapolis, and worked with the Canadian immigration agents; all the lands were sold in five months (Hedges 1939, 160-61).

The Northwest Colonization Company, owned by a group of Minneapolis bankers, including O.A. Robertson and F.B. Lynch, also bought CPR land, at \$2.50 per acre, and resold it at a minimum of \$4 per acre (Hedges 1939, 162-63).

In 1900, a group of Romanian Jews heard about the success of the Galicians in Saskatchewan and decided to try to emigrate there themselves. The Jewish Colonization Association in London made inquiries on their behalf to William Preston, the Commissioner of Immigration, who had told them about the bounty as well as the homestead policy. Preston promised a grant of townships and undertook to select the colonists himself.

The Association decided that, because most of the Jews were from urban backgrounds, they would need paid assistance in learning how to farm, and it began to look for someone to arrange this instruction. After meeting with Preston, the Association approached Lord Minto, who sent the question to James A. Smart, the Deputy Minister of the Interior. Smart recommended against the plan, because the Jews had no farming experience. Sifton supported this view and recommended, in a memo to Laurier on April 15, 1901, against assisting in the emigration. Smart nonetheless agreed to be involved, as the receiver of the moneys sent by the Association on behalf of the families. Smart was to buy outfits with this money and arrange for local help. He approached D.H. McDonald of Fort Qu'Appelle, one of the founders of the Saskatchewan Valley Land Company, with a view to giving McDonald a share of the business of outfitting. McDonald was the leading Liberal in the area and a member of the North-West Territories Assembly for Qu'Appelle. Smart assured McDonald that if these settlers came to the area, more would follow, as would a railway, and this would be good for business. One hundred colonists arrived in 1901, and 50 more in early 1902.

Through McDonald, a man was hired, and outfits and livestock were procured. Smart was the trustee of funds for the Jewish Association, although it is not recorded if and what he was remunerated for this work, either privately or in his capacity as government employee. Smart also assisted in locating homesteads, and put them in his name. He also retained ownership of the livestock and supplies, until such time as he was sure that the settler would remain permanently on the land.

One of the settlers protested this, having been told he did not own his livestock and cattle, and took the Jewish Colonization Association to court in 1905, where he lost. Smart was called on to testify and was represented by Charles Bethune, of Chrysler and Bethune, the firm who also often acted for Sifton. It is not clear from the files whether a land grant was ever involved (NA, RG 15, vol. 906, file 838450; SAB, 4500, 1904).

### **Railways**

The CNOR obtained the Northern Pacific's Manitoba lines, in southern Manitoba, creating a complex linkage in that province between the CNOR and the CPR. The lines were acquired from the Manitoba government, in connection with a guaranteed bond issue for the construction of a line eastward to Port Arthur, Ontario. In return, the provincial government exacted a guarantee of lower rates. The legislation to enable the bonds received initial opposition from the Liberal Party at both the federal and the provincial levels. The province sought the right to control rates in the province, and this move was not popular with the federal government. Sifton, the Minister of the Interior, provided support, however, as did other Liberals such as Frank Oliver, and the bill passed, leading to rate reductions in Manitoba and the West (see Regehr 1976, 77-100). The line between Port Arthur and Winnipeg was built.

### **Indian Affairs Organization and Policies**

Mr Sproule raised a question about expenditures in the House on April 10, 1901. Did the increase in the costs for agricultural implements, seed grain, and livestock indicate that more Indians were farming? he asked. Minister Sifton replied that the results of the past three years were encouraging, particularly in stock-raising. He had visited one reserve the previous summer and was so impressed by Agent W.M. Graham's success in promoting grain production and self-support that Sifton had placed him in charge of three reserves. Sifton continued:

The expenditure we are making is very large, but it is made in pursuance of a policy favoured by parliament for many years based upon a belief that it is better – aside from the justice of the question – to bring the Indians into a state of civilization or comparative civilization, so that they may not be a menace to the country, than to take

any chances of their becoming a disturbing factor in the community. (House of Commons, *Debates*, April 10, 1901, 2762-63)

A letter written by Sifton to George Bulyea, the Territorial Secretary, revealed that “when it became necessary to remove Mr. Mitchell from the Muscowpetung Agency,” it was decided that the best thing would be to amalgamate that Agency with File Hills and place them both under Graham (NA, Sifton Papers, MG 27, Letter Book April 3, 1900–May 6, 1901, letter of March 22, 1901).

Graham was continually lauded for his policy of withdrawing rations. Sifton’s secretary, J.A.J. McKenna, wrote on December 10, 1901: “I may say that I am convinced that the Indians can only be advanced through labour [that is, being taught, and even virtually forced, to grow grain and raise cattle] and that I propose doing what I can to hasten the day when ration houses shall cease to exist and the Indians be self-supporting. That day will never come if officers continue the system of handling Indians through bribing them with food” (NA, Sifton Papers, MG 27, vol. 106).

Graham also established the File Hills colony in 1901. The purpose of the colony was to give plots of land on the File Hills reserves to graduates of the industrial schools and to continue their education separately from the other Indians under close supervision. The colonists, who came from bands across the southern prairies, were admitted into the membership of Peepeekesis, and the Peepeekesis reserve was subdivided into lots for the colonists. In the early years of its operations the colony was widely praised by outsiders and politicians for its progress, and Graham pushed it as a showpiece for Indian Department – and his own – accomplishments.

In 1901, Commissioner Laird recommended that an Agent Short from the Berens River Agency be dismissed, rather than moved either to Alberta or to Moose Mountain to replace Herbert Halpin, who was dismissed for intemperance. Rev. McDougall wrote in support of the abilities of the agent, regardless of his intemperance, and suggested moving him to Hobbema. Sifton replied: “[F]or my part I have stood drunkenness amongst Indian Agents and officials as long as I am going to stand it, and hereafter at any time when that fault is brought home to an agent or clerk or any official upon an Indian Reserve I propose to dismiss him. I can see no use whatever in endeavouring to elevate the moral tone of the Indian race and sending drunken officials to carry out the work” (NA, Sifton Papers, MG 27, vol. 243, letter of May 14, 1901).

**Departmental Circulars** (signed by J.D. McLean)

- Returns should show the number of cattle loans to individual Indians.
- Purchases of implements to be made only from parties on the patronage list, which is held by the Commissioner.
- Great care should be taken in determining the average income of the Indians in the agency, as well as estimating the real and personal property of the agency (NA, RG 10, vol. 1621).  
**Patronage**

*Treaty 8*

- Supplies for Treaty 8, contract to McDougall and Secord of Edmonton (NA, RG 10, vol. 1124, memorandum of February 21, 1901).

In response to any inquiry from Walter Scott, MP, Sifton's assistant McKenna stated that the contract for seeds had gone to the Graham brothers in Ottawa (NA, MG 27, Sifton Papers, Letter Book of April 3, 1900–May 6, 1901, letter of March 9, 1901).

**Depositions**

- Chief, White Whale Lake, for cattle killing and bad influence (OCPC 1762/1901)
- Headman, Pasqua, for bad influence (OCPC 66/1901).
- Headman, Waywayseecappo (OCPC 68/1901).

**Surrender Demands**

Roseau River, in the House of Commons, by MP A.A.C. LaRivière.

Frank Oliver, in the *Edmonton Bulletin*, October 28, 1901, made his now famous statement that the Passpasschase reserve, once it was surrendered and sold, was a tax-paying, not a tax-eating, proposition. He began a campaign in the *Bulletin* to get other reserves opened up for sale.

James Douglas, MP, inquired on behalf of a Montmartre resident whether the Carry the Kettle reserve might be opened for settlement.

J.G. Turiff, the Commissioner of Lands, suggested to Sifton that Swan Lake IR 7, in Manitoba, be opened to settlement.

### **Surrender Practice**

In 1901, law clerk Reginald Rimmer proposed an amendment to the *Indian Act* which would have, among other things, added clarity to the consent provisions. It would have allowed for assent to a surrender to be obtained from a majority of voters who attended a meeting called for the purpose.

In 1901, there was a surrender of the Assiniboine Ocean Man and Pheasant's Rump reserves in the Moose Mountain area. The entire area was surrendered and the bands moved immediately to the Cree reserve at White Bear. David Laird took the surrender, and the Band and the official accounts differed with regard to both the length and degree of negotiations and the Band responses. Pheasant's Rump apparently never did agree to the surrender. There was no chief for either of the Bands. In return for the surrender, the Bands were to get money for moving expenses and compensation; the balance would be funded to the credit of all three (amalgamated) bands.

### **Surrender Sales**

In 1901, Secretary McLean wrote to Smart about the upcoming sales of the Pheasant's Rump and Ocean Man reserves. He drew attention to Smart's previous recommendation to the Minister that patents for land be issued after the first payment. McLean recommended that patents not be issued until payment was made in full (NA, RG 10, vol. 1124). These lands were originally to be sold to an American-based syndicate, but this plan was dropped by the Department, and Smart planned to sell the lands by auction. This plan, too, was changed, and the lands were put up for sale by tender. The Land Regulations were ignored, and a 5 per cent, rather than 6 per cent, interest rate was to be charged on instalments; there does not appear to have been an Order in Council that endorsed this change. The sale by tender was poorly advertised. Most of the land purchased by tender was acquired by Smart, Pedley, and White of the Department of the Interior at an average of \$1.23 per acre. Adjacent railway lands were being sold for \$3 per acre.

Chacastapaysin lands were also put up for sale by tender, on the same terms, and the majority of these lands were acquired by the same three men at \$1.43 per acre on average; overall, the lands sold for \$2.30 per acre. Several Saskatchewan businessmen and politicians purchased this land.

## **THE YEAR 1902**

### **Western Development**

In 1902, land companies began to proliferate once again, as the railways sought ways to facilitate sales and made plans to increase significantly the system of main and branch lines across the West. Escalating land prices attracted foreign investors. As blocks of land were set aside for sale by companies, a higher demand was gradually made on remaining lands, such as Indian reserves.

Winnipeg had become the centre of western enterprise, home of a large concentration of land companies, real estate agents, scrip brokers, grain companies, dry goods firms, cattle exporters, and railway offices. It was a major collection point for the shipment of grain. In 1902, Winnipeg was receiving more wheat than Chicago. Most of the land companies had offices in Winnipeg, with branches in smaller centres, or in the United States (Friesen 1993, 274-78). Other prairie cities, such as Edmonton, Regina, Calgary, and Saskatoon, were entering periods of rapid growth. A second tier of cities, such as Brandon, Moose Jaw, and Medicine Hat, arose as supply centres (Friesen 1987, 320).

The Manitoba cities were the gateway for immigrants. Brandon had grown up largely between 1882 and 1890, and, as the centre of a prosperous wheat-growing area, it attracted realtors and merchants. Souris was settled by farmers from Ontario, as was Emerson, the Gateway City. All of these smaller centres were marketing and distribution points and, from them, the settlers followed the rails west (Macdonald 1966, 271-72).

In Saskatchewan, in addition to Regina and Saskatoon, Moosomin was one of the first entry points for people going west. It was in the Moose Mountain area, and most homestead land was gone by 1882. Broadview, 45 miles farther on, was on the CPR and was a commercial centre for the district. Moose Jaw grew in the late 1880s into a similar centre. Prince Albert was established at the site of an HBC post and a Presbyterian mission, and was settled by a mixture of Métis and British colonists (Macdonald 1966, 283-84).

The Saskatchewan Valley Land Company was incorporated in 1902 and acquired both railway and homestead lands to sell along the belt between Regina and Saskatoon (see Chapter 2). Some of the land it obtained was part of the land grant of the Qu'Appelle, Long Lake, and Saskatchewan

Railway; Sifton extended this grant in August 1902 in response to threatened litigation from the company that the existing reserve did not contain enough land fit for settlement.

The Saskatoon and Western Land Company was formed in 1902 by William Pugsley of New Brunswick and businessman A.D. David Russell of Montreal. They would acquire an interest in some of the Qu'Appelle, Long Lake, and Saskatchewan Railway land grant in 1906, but this interest was later cancelled.

Speculation and political lobbying abounded because much of the townsite development on the prairies depended on the location of the railway station grounds and divisional points. Towns might grow rapidly when the sites were established, but they could also fold when routes were changed.

Hudson's Bay Company lands sold on the prairies at an average of \$5.24 per acre, and CPR lands sold at \$3.26 per acre. In 1902, both companies began to sell their lands through land and colonization companies. The Qu'Appelle, Long Lake, and Saskatchewan Railway lands sold at an average of \$3.70 per acre. The Calgary and Edmonton Railway sold lands at \$3.19 per acre on average and hit its peak of sales in this year (Martin 1938, 306-07).

Later, Oliver estimated the average price per acre of land sold in 1902 to have been \$3.56 (House of Commons, *Debates*, April 14, 1915).

## **Railways**

In 1902, the line from Winnipeg to Port Arthur was opened, extending the rival CNOR mileage from Ontario through most of Manitoba. R.M. Horne-Payne became the London agent of the CNOR; his objective was to sell the bonds needed to raise cash, and he was largely successful.

In the same year, the Grand Trunk Railway of Canada, the most extensive line in the country, announced plans to move west with a new transcontinental line. Initially, it wanted to buy a controlling interest in CNOR, but Mackenzie and Mann refused. Instead, they began plans for a rival line, and the rivalry escalated throughout 1902. The Grand Trunk president, Charles Hays, persuaded the Prime Minister to support his cause; Laurier wanted a Liberal line to rival the CPR, widely considered to be a Conservative favourite. Sifton and Oliver pushed for bond guarantees for western extensions of existing CNOR lines and for the reduced rates acquired by CNOR in 1901. The debate



extended to whether the government should build the lines, or whether they should be privately owned, though regulated by the government (Regehr 1976, 101-18).

CNOR also built a short line from Strathcona, the northern terminus of the Calgary and Edmonton Railway, located south of the Saskatchewan River, to Edmonton, which was across the river.

### **Indian Affairs Organization and Policies**

James A. Smart resigned his position as Deputy Superintendent General of Indian Affairs and was replaced by Frank Pedley. Smart remained as Deputy Minister of the Interior.

Sifton again defended the Department's economic development policy in the House of Commons on April 18, 1902. He drew attention to the accomplishments of William Graham of File Hills, who was "one of our most successful agents in inducing the Indians to settle down and take care of themselves." Not every reserve was as far along, and many were devoted to stock rather than grain. Mr Sproule quoted from a report on a reserve in northern Manitoba, where the agent had written about the pains he had taken to introduce and protect the cattle industry: "As the young men grow up, I think they will take more interest in cattle than their parents" (House of Commons, *Debates*, April 18, 1902, 3055).

In late 1902, after several years of quibbling over the distribution of agencies within the inspectorate and the duties of the inspectors, the appointments were revisited. In spite of D.C. Scott's earlier complaints that there were not enough inspectors, the number was reduced.

- Calgary: Alexander McGibbon replaced Wadsworth when he retired.
- Battleford: W.J. Chisholm retained his position, but the headquarters were moved to Prince Albert.
- Qu'Appelle: L.J.A. Levecque held his position, but the headquarters were moved to Regina from Qu'Appelle.
- Lake Manitoba: S.R. Marlatt retained his position, but the inspectorate was enlarged to include the Birtle Agency.
- Lake Winnipeg was combined with Rat Portage, all under S.J. Jackson, who replaced McColl (NA, RG 10, vol. 3877, file 91839-1).

J.A.J. McKenna, who had been Sifton's secretary, was appointed an Assistant Indian Commissioner and Chief Inspector to the Winnipeg office, though he did not arrive there until 1903 owing to previous engagements with the Treaty and Halfbreed Commissions. He had, however, proposed in December 1902 that the Indian Commissioner's Office should be restored to a position of mediation, including the filtering of accounts, between headquarters and the agents and inspectors (NA, RG 10, vol. 3877, file 91839-1).

In 1902, Governor General Lord Minto toured the West and visited several agencies, including the Qu'Appelle Agency under William Graham. Lord Minto wrote to Prime Minister Laurier on January 16, 1903, about the treatment of Indians in the West. He protested the recent deposing of Chief Piapot, who "has long been a celebrated old character in the North-West rather a fire-brand perhaps, not over well-behaved, but a chief for a great many years and whose faults, unless very heinous, one might perhaps have hoped would be dealt lightly with. He got into difficulties however over a dance, was accused of assaulting the police and dethroned." Minto believed Piapot had been unjustly treated. He also met with Chief Standing Buffalo, who greatly impressed him as a sensible man. Chief Standing Buffalo complained that Graham was suppressing the dances, when, in his opinion, they were the only source of amusement left to the people. "It will be extremely unfortunate if an intelligent and trustworthy Indian chief should suffer from the narrow-mindedness of some ill-considered regulation" (NA, Laurier Papers, MG 26, vol. 248, 69214-20).

Pedley responded, and on February 17 Lord Minto denounced the letter as an example of the attitude he disliked. Pedley had quoted Graham as saying, "the harm done by one of these dances is sufficient to neutralize the work of years." Lord Minto felt that Graham had exaggerated the situation, and that, with the exception of dances involving cruelty, the dances were largely opportunities for "the enjoyments and relaxations of life" (NA, Laurier Papers, MG 26, vol. 252, 70325-29).

#### **Departmental Circulars** (signed by J.D. McLean)

- Band transfers will no longer require the permission of both bands, but only of the admitting band.

- Cattle should be inspected by all prospective buyers, and only the highest bidder should be awarded the sale. A complete report should be submitted (NA, RG 10, vol. 1621).

### **Depositions**

- Headman, Pasqua, bad influence (OCPC 1324/1902). Chief, Blackfoot, bootlegging (OCPC 1326/1902). Chief, Piapot, bad influence (OCPC 521). Headman, Broken Head, intemperance (OCPC 890).

### **Surrender Demands**

In 1902, another petition from residents of the Broadview area was forwarded to the Minister of the Interior, asking for a surrender of the Crooked Lakes reserves.

A petition was given to Sifton from Manitoba residents who wanted the Swan Lake IR 7 opened to settlement.

MLA Benjamin Prince asked for a surrender at Moosomin and Thunderchild in the Battleford Agency. The request was made through T.O. Davis, MP.

The settlers around Roseau River, Manitoba, raised the issue of a surrender through the local press and through the MP, A.A.C. LaRivière. Inspector Marlatt reported that he had an offer of \$10 per acre for the land to be surrendered, but thought he could get up to \$18 per acre for some of it.

George Bulyea, who was at the time Commissioner of Agriculture for the North-West Territories, suggested surrenders at the Pasqua and Muscowpetung reserves. Bulyea himself had real estate interests.

### **Surrender Practice**

George Bulyea, who had made a request for a surrender at Muscowpetung and Pasqua, suggested that, in order to obtain surrenders, Indians should be promised annual distributions of interest. He was told by McLean that this was standard departmental policy.

There was a surrender at Enoch/Stony Plain, in Alberta, after years of outside demand and discussions with the Band. Initially, the Band resisted a surrender because it did not want white settlers moving in too close. There were some band members, however, who had been in favour of selling land to obtain cash for fencing and outfitting. Very little is known about the negotiations or

the meeting. The Band voted in favour of a surrender for fencing, in spite of having a large capital account from the surrender of Passpasschase. There was no cash advance, although the Band got capital money for fencing and outfitting, and compensation for improvements. It was Laird's suggestion that the moneys received from sales be used to discontinue departmental funding of rations and outfits. In addition, when Agent Gibbons took the surrender, he did not include the terms and conditions in the document; they were submitted to the Department by separate letter, and then approved.

There was also a surrender of reserve 100A (Cumberland) in Saskatchewan.

### **Surrender Sales**

The Enoch lands were put up for sale. Oliver recommended sale by auction, but Smart suggested a tendering policy instead, as had been used in 1901. This time there was express exemption from the Land Regulations, by letter from the Department only. The terms of sale were five payments, at 5 per cent interest. The sale realized \$6.72 per acre, just above the valuations placed by the surveyor. The Smart/Pedley/White team submitted bids, but were not successful. Oliver's friends McDougall and Secord were the most successful of the bidders.

## **THE YEAR 1903**

### **Western Development**

The Reverend I.M. Barr brought a group of colonists from the British Isles to a new colony at Lloydminster, Saskatchewan. The original intent of the project was to place soldiers who had returned from the South African War on Canadian land, but the colony also had a strong Anglican focus. Barr's partner, the Reverend George E. Lloyd, had served in the rebellion of 1885 and was proselytizing the West as assistant secretary of the Colonial and Continental Church Society. Together they advertised a Britannia colony and persuaded James A. Smart to hold the even-numbered homesteads in a large area they had procured from the CPR. Some of the land was to be held for Canadian and American homesteaders who, they hoped, would serve as instructors to the newcomers.

Sifton also got involved directly in the scheme, sending his employee and associate C. Wesley Speers to Saskatoon to prepare for the colonists' arrival. Sifton was sceptical of the skills of the organizers but realized that the plan would bring sufficient English-speaking immigrants to Canada to offset criticism of his acceptance of so many Galicians and Doukhobors (Morton 1938, 121; Berton 1984, 110-13). The venture was indeed badly organized; Barr was deposed and was succeeded by Lloyd. But the settlers did arrive, and the city of Lloydminster emerged from their settlement (see Macdonald 1966, 254-55).

James A. Smart and William J. White, the men involved in the Moose Mountain and Chacastapaysin purchases, bought 10,000 acres of CPR land, on Sifton's intervention, at \$4 per acre, \$1 less per acre than the price of those particular lands. They apparently resold them through the Canada North West Land Company (see Chapter 2).

Hudson's Bay Company lands on the prairies sold at an average of \$5.88 per acre, a slight increase from previous years. CPR lands sold at an average of \$3.75 per acre, also an increase. Qu'Appelle, Long Lake, and Saskatchewan Railway lands sold at an average of only \$1.75 per acre, and Calgary and Edmonton Railway lands sold at \$3.92 per acre. CNOR entered the market, and its lands sold at an average of \$3.44 per acre. With the exception of the latter two companies, the land sales reached a peak in 1903 and then began to drop. The volume picked up again in 1910-11, dropped, and increased again between 1917 and 1921, the war years (Martin 1938, 306-07).

The Saskatchewan Valley Land Company was selling land in Saskatchewan, between Regina and Saskatoon, at \$8 to 12 per acre. Interest of 6 per cent was charged on outstanding balances, as it was for railway lands (Hedges 1939, 147).

Oliver estimated the average price per acre for land sold this year on the prairies to have been \$3.46 per acre. He also noted that the increase in prices from this point on reflected the Liberal policy of railway development (House of Commons, *Debates*, April 14, 1915).

The Saskatchewan Valley and Manitoba Land Company, which acquired the assets of the Saskatchewan Valley Land Company in 1903, also acquired land on assignment from CNOR. It was not allowed to sell these CNOR lands at less than \$5 per acre, and it had to reimburse CNOR \$3 per acre plus one-third of gross receipts (Regehr 1976, 227). It sold land, on average, at just over \$7 per acre, although some sold as high as \$20 per acre.

The Saskatchewan Valley and Manitoba Land Company was formed by a group of directors from the Blake, Anglin, Lash and Cassels law firm in Toronto, and it was taken over by the same syndicate that ran the Saskatchewan Valley Land Company. It purchased many of the assets of the latter company, including unsold lands, and also made a deal with CNOR to sell some of its land grant. In 1904, this deal would be expanded to include townsite development. The key players in this syndicate, A.D. Davidson and A.D. McRae, went on to have a long-standing affiliation with CNOR.

### **Railways**

The year 1903 was extremely significant in the expansion of the railways, as both the Grand Trunk Railway and CNOR sought charters for transcontinental expansion. Laurier's solution to the competing proposals emerged from an idea put forth by Postmaster General William Mulock. Legislation was passed in early summer 1903 to enable the projects to go through. The government was to build a line east from Winnipeg to Quebec and then on to Moncton, and to lease it to the Grand Trunk for operation. This company would be forced to give running rights to CNOR and other companies needing eastern connections. The Grand Trunk would be given aid to build its western lines, but aid would also be provided to CNOR to build lines west from Erwood, Manitoba, to Prince Albert, and from Grandview, Manitoba, northwest to Edmonton. This scheme left CNOR in need of its own eastern connections, however, because it would not rely on either the CPR or the Grand Trunk to provide the east-bound rights. Thus the company made plans simultaneously to acquire eastern lines while it built western lines (Regehr 1976, 118-24).

The CPR publicly applauded the new projects, but privately its president feared that the Grand Trunk Pacific would use American ports and that the provision of federal aid to this line was unwarranted. T. Shaughnessy was also critical of the location of the prairie Grand Trunk line, believing that it would parallel the CPR for 300 miles west of Winnipeg and not open up new territory at all. Although the CPR ostensibly kept out of the debates of 1902-03 about the two new transcontinental lines, its Conservative supporters were not silent (Eagle 1989, 91-95).

With the new federal bond guarantees provided by legislation, CNOR began to build its main line west from Grandview, Manitoba, through Kamsack, to Warman, North Battleford, and

Edmonton. Construction in 1903 reached Kamsack on this line. Construction was also begun on a line from Erwood, Manitoba, to Prince Albert, and it reached as far as Melfort.

The Grand Trunk incorporated the Grand Trunk Pacific company (GTP) and began its own program of construction. The GTP built in the zone between the southern CPR and the more northerly lines of CNOR.

The federal Minister of Railways, A.G. Blair, resigned in July 1903 in opposition to the federal support of the Grand Trunk proposal as a private enterprise; he supported government ownership of railways. Blair was made the first Chief Commissioner of the Board of Railway Commissioners, an “independent” regulatory body established by law in 1903 to regulate rail commerce. Simon J. McLean, the author of the concept paper, joined the Commission in 1908 and bought land on speculation at Muscowpetung in 1909. Frank Oliver was also a member of this Commission from 1923 to 1928.

## **Indian Affairs Organization and Policies**

### **Departmental Circulars** (primarily from the Indian Commissioner’s Office)

- When agricultural equipment is necessary for Indians, and is to be paid out of their earnings or funds deposited with the Department, prices should be obtained from dealers on the patronage lists, and the equipment bought from those with the lowest prices (Pedley).
- Indians should not be paid for wage work with rations meant for the destitute, but with moneys meant for that purpose.
- Veterinary surgeons on the patronage list, in addition to NWMP veterinarians, can be used.
- All stock held privately, including that by employees and churches, is to be reported.
- Instructions for preparing estimates: All items must be supported, including estimates of able-bodied men and their dependants, and estimates of the destitute and infirm and their dependants.
- Railway construction is not to take place until the agent is sure that the right of way has been arranged; railway workers are not to be interfered with (NA, RG 10, vol. 1621).

On July 10, 1903, the annual debate in the House of Commons over departmental estimates included discussion on the purchase of livestock for the Blood, Blackfoot, and Peigan reserves. Sifton

pointed out that the cattle industry had recently begun on these reserves. There were also questions about tendering and patronage for supplies, such as rations, beef, and supplies under treaty. Sifton replied that his “friends” were not making much in the way of profits (House of Commons, *Debates*, July 10, 1903, 6423-25)

Sifton spoke about education and economic development on reserves in a discussion in the House on July 18. Again he pointed to the work of Mr. Graham, who has been very successful in turning the Indians of the Qu’Appelle area into farmers:

They are growing grain, there are no more supplies being distributed; the Department is buying cattle from them. Partly this has been done by setting apart some of the reserve land for the young educated people to farm, without interference from their relations. Mr. Graham had just been appointed Inspector to give him larger scope. (House of Commons, *Debates*, July 18, 1903, 6956-57)

In October 1903, Mr Sproule challenged Sifton in the House over supplementary expenditures for supplies and agricultural implements, recommending that better business methods be exercised to control expenditures (House of Commons, *Debates*, October 12, 1903, 13782).

There were also discussions about the leasing of a portion of the Blood reserve, an issue that would surface in the Ferguson Commission many years later. Sifton reported that the Indians had agreed to a lease by Donald McEwan and Company. W.J. Roche said that dominion lands are leased at a rate of 2 cents an acre for 21 years, but with public advertisement and tenders. Sifton said that these terms were more advantageous to the Blood because they were able to negotiate with the lessees. Roche went on to say that he believed the Band could have gotten more in competition and that the lessees had sublet the land to other parties (House of Commons, *Debates*, July 20, 1903, 7197-99).

### **Depositions**

- Chief, Alexander, bad influence (OCPC 779/1903)
- Chief, St Peter’s, intemperance (OCPC 1291/1903)
- Headman, Cote, intemperance (OCPC 1207/1903)
- Headman, John Smith, intemperance (OCPC 1367/1903)



### **Surrender Demands**

Robert Borden, Conservative MP for Halifax, asked whether reserve land abandoned or not used by the Indians could be taken back, and Prime Minister Laurier told him that a surrender was mandatory in any event. Borden commented that, meanwhile, the land was useless and deteriorating (House of Commons, *Debates*, October 12, 1903, 13782).

The Michel Band purportedly requested a surrender to raise money for outfits, according to the Indian Agent, James Gibbons, an Oliver appointee. Gibbons was aware of the CNOR route, which would pass about 3½ miles south of the reserve. Laird suggested waiting until the line was actually built and values were higher but was overruled.

CNOR asked for land at Cote for station grounds and a townsite at what would become Kamsack, Saskatchewan. It negotiated a sale the following year at \$10 per acre for the townsite, the same price it would offer at Fishing Lake.

### **Surrender Practice**

There was a surrender at Michel in 1903, prompted by the Band's request for outfits, although there was also external demand. A strip of land along the western side of the reserve was surrendered. Little is known about the meeting, negotiations, or vote. There was no distribution at the time of the surrender, but the interest and capital from sales could be used for outfitting farmers. Commissioner Laird recommended during negotiations that, based on the Enoch/Stony Plain experience, surrender documents should not itemize the equipment and livestock that were to be received by the bands, but that they should be provided according to circumstances (NA, RG 10, vol. 3563, file 82/14, Laird to McLean, May 9, 1903).

There was also a surrender at Roseau River after years of demand by area residents for the fertile farm land. Inspector Marlatt took the surrender, admittedly encountering resistance in the negotiations and having to use inducements. The older men in particular were resistant to surrender, pointing out the long-term economic advantages of keeping the land. It appears that Marlatt promised an advancement of cash, and perhaps other items not named in the surrender. The agreement allowed one-tenth of the capital to be spent on farming needs; in accordance with what Laird recommended for Michel, these items were not listed but were described as items that the Indians might need and

the Department might approve. A promise by Marlatt at the time of surrender of annual interest payments did not show up in the text of the agreement.

McKenna complained that Marlatt had left the Commissioner's Office out of the discussions about the surrender, and that the office should have been better informed about the negotiations. McKenna and Laird also complained about having been circumvented in the Enoch and Michel surrenders, in that they had not received information about the surrenders until after they had occurred.

Within the context of preparing for the surrender at Roseau River, Law Clerk Reginald Rimmer wrote a memo to the Deputy Superintendent General about the use of the Land Management Fund to provide an advance to the Band to buy additional land, to be repaid out of the proceeds of the sale of the surrendered portion of the reserve (see 1896: Roseau River, below). Rimmer said he believed that the law would allow the use of the fund for advances, as long as the Band in Council agreed in writing that the money was being advanced against land sales and that it would be repaid to the fund (NA, RG 10, vol. 3731, file 26306/2). The fund would be used at times to provide advances for distribution at the time of surrender, but in these cases the Indians were to repay the fund with interest (see, for example, 1904: Cote, and 1908: Swan Lake, below).

### **Surrender Sales**

At this time the Department deviated from the practice of the Department of the Interior of requiring certification in the case of land assignments where the assignor had no liens or creditors against the land. Interior used this practice to protect assignees, but the Indian Department, on Rimmer's advice, relaxed its own requirements, and these protections against fraud were no longer in place. This issue came up in the context of the sale of the Sharphead lands in Alberta. When the Roseau River lands came up for sale, the Order in Council accepting the surrender specifically exempted the sales from the Department's Land Regulations. The sale required 10 instead of the usual five payments.

There was also discussion about the best method for sales in the planning for the Roseau River land sales. At Pedley's request, J.D. McLean compared tendering with auctions and recommended the former; in his opinion, auctions had been used in Ontario, but with limited success. Pedley, however, subsequently decided on an auction. It was known at the time that Sifton's friend George

Walton, a businessman, local politician, and auctioneer from Emerson, Manitoba, was pressuring Sifton for an auction. Pedley also set the terms for 10 payments instead of five and used a 5 per cent interest rate. The auction was held in May and achieved an average of \$13.50 per acre, above the upset price, but the clerk running the auction reported that the upset prices set by John Lestock Reid were circulated by rumour. Much of the land went to local people, including the farming instructor on the reserve; although American speculators were present, they did not do much bidding, because of concerns about water supply to the land.

## **THE YEAR 1904**

### **Western Development**

The new transcontinental lines became an election issue in 1904. The Liberals argued that if the Conservatives regained power, they would transfer the new Grand Trunk Pacific (GTP) project to the CPR. The Conservatives under Borden were accused of promoting a government-owned transcontinental railway (Eagle 1989, 96-97). The Liberals were returned to power. Sifton ran against R.L. Richardson in Brandon and won easily.

The price of wheat rose from an average of 75 cents a bushel for no. 1 grade in 1901 to 92 cents a bushel (Morton 1939, 125).

Hudson's Bay Company lands sold on the prairies at an average price per acre of \$6.01. CPR land sales averaged \$4.10 per acre. Calgary and Edmonton Railway lands sold on average at \$4.36 per acre, and CNOR lands went at \$4.86 per acre. Land sales volumes dropped for all these companies during the year (Martin 1938, 306-07).

Oliver later estimated the average price per acre for land sold on the prairies for 1904 to have been \$4.39 per acre (House of Commons, *Debates*, April 14, 1915).

In 1904 there were 41,869 homestead entries on dominion lands, up from 1861 in 1896. This was the highest number of any year until 1910, when the number of homesteaders would rise again. The majority were taken by Canadians and Americans; the next highest category was the British, followed by Galicians (Morton 1938, 128). Altogether, there were over 100,000 new immigrants to Canada in 1904, the majority entering from the United States (Dafoe 1931, 316-17).

Sifton was criticized over the Saskatchewan Valley Land Company in the House of Commons. Conservatives accused him of giving concessions to a firm that was making profits from land sold by the government at low prices – and often paid for in scrip (see Chapter 2).

Sifton had an interest in the Canadian Northern Land Company. C.A. Masten, Sifton's lawyer, was instrumental in setting up this incorporated company, and it may have acted as a vehicle to sell lands for Sifton.

### **Railways**

CNOR was in the process of constructing the main line west from Kamsack to Edmonton, and the secondary line from Grandview to Prince Albert.

### **Indian Affairs Organization and Policies**

Sifton spoke about education and economic development on reserves in a discussion in the House of Commons on July 18. Again he pointed to the work of William Graham, who had been very successful in turning the Indians of the Qu'Appelle area into farmers. They were growing grain, and they no longer needed supplies distributed to them; indeed, the Department was buying cattle from them. This result had been achieved partly by setting apart some of the reserve land for the young educated people to farm, without interference from their relations. Mr Graham had recently been appointed Inspector to give him more scope (House of Commons, *Debates*, July 18, 1903, 6956-57).

Graham was appointed Inspector for Qu'Appelle, with headquarters at File Hills/Balcarres. His agencies included Pelly, Moose Mountain, Crooked Lakes, Assiniboine, Qu'Appelle, and Touchwood Hills (NA, RG 10, vol. 3877, file 91839-1).

Sifton was questioned again, as in 1903, on the Blood reserve grazing lease. He provided a list of those who had applied for the lease, which had been given to Donald McEwan of Brandon in 1903. The list included A.J. McLean of Macleod, Alberta; T.H. Wallace of Lethbridge; H.M. Hatfield of Yarrow, Alberta; J.W. Woolf of Regina; C. Millar of Toronto; C.A. Sheets of Cardston; J.F. McLaughlin of Toronto; and W.M. Boulton of Toronto. The permit granted to McEwan was for 219,000 acres, for ten years, at \$5000 per year. According to the agreement, any subletting required the approval of the Department (House of Commons, *Debates*, May 4, 1904, 2554).

Accountant Duncan Campbell Scott prepared a memorandum in response to allegations that the increase of expenditures since 1897 was related to the decrease in the Commissioner's authority, poor management, and increased patronage. Scott again expressed the opinion that there were not enough inspectors, and that it was the job of the Commissioner's Office to supervise inspections, not to get involved with clerical or fiscal matters, over which Ottawa should have full control. The Commissioner's Office could help make estimates, but would know nothing of expenditures. The Commissioner had not, however, assisted agents or inspectors with problems to the extent that he should have. His control was lax.

Scott also commented on the money allocated to rations, and he argued that it was time to force the Indians to become self-sustaining. Although the Commissioner's Office has done little to promote this goal, several individual agents had, particularly William Graham of the Qu'Appelle Agency in Treaty 4 and J.A. Markle of the Blackfoot Agency in Treaty 7. Both men had drastically cut rations, but in many other areas rations were increasing, especially where agents were using them to pay for goods and services for Indians on reserve; in general, however, there were still a large number of destitute Indians.

The salary budget was also rising, Scott admitted, in spite of the layoffs in 1897. In addition, the number of employees in the Commissioner's Office had risen from two to seven; Hugh Richardson, laid off in 1897, was one of them. Inspector Graham had also taken on a clerk. A number of agencies had added employees, with a total increase from 115 in 1897 to 133 in 1904.

Meanwhile, Scott went on to say, the year 1903 had been the first in which the Department had no debt at the end of the fiscal year (NA, RG 10, vol. 3877, file 91839-1, memo to Pedley, March 3, 1904).

#### **Departmental Circulars** (from J.D. McLean)

- Reminder of the importance of cattle sales returns.
- Reminder of which correspondence should go to the Commissioner's Office, and which should go to Ottawa (see 1897). W.M. Graham wrote to the Deputy Superintendent General on December 12, 1904, saying that the assistant Commissioner was asking for information that Graham had sent to Ottawa about instructions.

- Memo from Pedley to Sifton, December 20, which set out the need to remind agents where to address their reports and correspondence.
- One change in the system stipulated that medical reports, monthly employee paysheets, monthly school reports, and returns of day school attendance should go to the Commissioner's Office, and should then be forwarded within a week to Ottawa (NA, RG 10, vol. 3086, file 279222-1).

The patronage list from Selkirk, submitted by McCreary, included J.O. Lewis for publishing, P. Sutherland and J.K. McKenzie for general merchandise, Dr D.G. Ross for medical care, and William Robinson for lumber, hardware, and furniture. In Stonewall, Stratton and May as well as P.J. Foley and Co. were favoured merchants, with W. Montgomery and G.M. Brown as hardware dealers. A. R. Leonard was the source for drugs and stationery. The newspaper the *Stonewall Argus* was on the Liberal list (NA, Sifton Papers, MG 27, II D 15, vol. 295).

### Depositions

- Headman, Enoch, for intemperance (OCPC 2163/1904) Headman, Long Plain, for intemperance (OCPC 1639/1904) Headman, Keeseekoweenin, for intemperance (OCPC 1926/1904) Headman, St Peter's, intemperance (OCPC 1927/1904) Headman, Lake Manitoba, intemperance (OCPC 1840/1904)

### Surrender Demands

W.J. Roche, MP for Marquette, asked in the House of Commons about Crooked Lakes.

A.A.C. LaRivière asked in the House for the remainder of Roseau River:

I understand the government has adopted a policy whereby all these little patches of land known as reserves may be thrown open in the more settled parts of the province of Manitoba and the Territories and an equivalent found elsewhere. They are an impediment to colonization, and are not in the best interests of the Indians themselves. It is not desirable that the Indians should live in the midst of a settlement, because they will not improve, and they will contract all the bad habits that are practiced by their neighbours. (House of Commons, *Debates*, 1904, 6976)

The Carry the Kettle Band made a request, through its agent, for a surrender, though it had rejected an inquiry about a surrender in 1903.

The Broadview, Saskatchewan, residents who had been pushing for a surrender of parts of the Crooked Lakes reserves closest to the CPR line sent another petition to Ottawa.

CNOR asked for land for a townsite at the Fishing Lake reserve; Sifton and Pedley initially rejected this request under their policy of not allowing townsites on reserves. The company offered \$10 per acre, the same figure it was negotiating with Cote for Kamsack. The request came via the Saskatchewan Valley and Manitoba Land Company. A right of way was compensated at \$5 per acre. The Reverend John McDougall, Oliver's agent in negotiating land surrenders, valued the station grounds at \$25 per acre but settled for \$20 per acre. CNOR also took a right of way and station grounds from the Moosomin reserve for Highgate Station.

J.A.J. McKenna reported a request from the Medical Inspector, Qu'Appelle Agency, for a surrender of grazing lands at Muscowpetung.

Newly appointed Inspector Markle decided to push for surrenders from all the Hobbema Bands on the basis that they had more land than they needed.

### **Surrender Practice**

Superintendent General Sifton made a couple of comments about policy in the House of Commons debates in 1904. In reply to LaRivière's request for the surrender of all reserves in settled areas, he stated:

Whatever may be deemed desirable or otherwise, the fact of the matter is that the Indians own these lands just as much as my hon. friend (Mr. LaRivière) owns any piece of land for which he has a title in fee simple. The faith of the government of Canada is pledged to the maintenance of the title of these Indians in that land. Under the arrangement that we have made with the Indians, our faith is pledged that we will not disturb them in the occupation of the land which has been reserved for them, except on their own consent being given in a specified form. We follow the policy of getting the consent wherever we can when we think it will not interfere with the means of the livelihood of the Indians; for we realize, as my hon. friend does, that it would be to the interest of the Indians that the land should be thrown open for settlement and sold, and that they should be paid the interest on the proceeds rather than keep the land while putting it to no use. But my hon. friend recognizes the fact that we have to proceed in a diplomatic way and get the Indians to surrender their lands when they are willing to do so. The officers of the department, having constant dealings with the Indians, know how far it is safe to go in each particular case.

On the same day, Sifton responded to a question about efforts being made to take surrenders from the Crooked Lakes reserves:

We have not yet formally submitted the question to them [Crooked Lakes Bands], because as my hon. friend will know, if you submit the question of the surrender of their land to an Indian band they will vote against it, and it will be impossible to get them to agree to it after that. They probably consider that it is a point of honour with them to stick to the decision that they have taken. It is therefore extremely imprudent to submit a question of that kind to them unless you feel sure that you are likely to get a favourable decision. In this particular case the officers at Winnipeg have instructions to take such steps as may be deemed desirable. The agent is moving in that direction, and will ask for their consent as soon as he has reason to expect a favourable conclusion. (House of Commons, *Debates*, July 19, 1904, 6974-977).

There was a Cote townsite surrender in 1904. Although the Band was involved in negotiating price and terms, the primary negotiations took place between CNOR and the Commissioner's Office. The final price-per-acre terms were set by the railway with little input from the Band. Agent Carruthers took the surrender. In return for the townsite, which was to be sold at \$10 per acre to CNOR, the Band would get half the proceeds of lot sales once CNOR had recouped \$5000 plus survey costs.

### **Surrender Sales**

In June 1904 some of the lands from the first Michel surrender were sold, but, in a reversal of the circumstances at the Roseau River sale in Manitoba a year earlier, the land was sold once again by tender. Most of the advertising was outside the local area, with the result that most of the buyers were from Ontario. McDougall and Secord, who had dominated tendering in the Stony Plain area, were not as successful here. Still, prices of sales were below valuations, and most of the land did not sell. Herbert Awrey, Department clerk in Ottawa, was among those who were successful.



## **THE YEAR 1905**

### **Western Development**

In 1905, Saskatchewan and Alberta became provinces. Natural resources remained with the Dominion, however, so that existing land regulations, including homesteading, continued. The two western provinces took a more active role in the regulation of communications and trade.

Sifton resigned as Minister of the Interior in early 1905, and James A. Smart resigned as Deputy Minister at the end of December 1904. The ostensible reason for Sifton's departure was a disagreement with Laurier over the Northwest Territories School Question. Laurier had drafted legislation for the two new provinces which left the door open for Catholic schools to share in the funds for public education, including those generated by the sale of school lands. Sifton opposed this policy, as he had when he was in the Manitoba government, and he resigned soon after Parliament opened. There was also a scandal about his private conduct, involving an affair, which was a threat to his political career (see Berton 1984, 194-204; Dafoe 1931, 280-82; Hall 1985a, 173-99). Sifton was replaced by Frank Oliver on April 8, 1905.

Hudson's Bay Company lands sold on the prairies at an average price of \$6.20 per acre. CPR lands sold at \$4.97 per acre. Both companies were declining in volume of land sales, but the prices were rising. The Calgary and Edmonton Railway was selling land at an average of \$4.78 per acre. CNOR greatly increased its volume of sales, at \$5.27 per acre on average. Because CNOR was bringing new areas onto the market, its land sales, at 1.2 million acres sold, was more than double that of the CPR. CNOR sales would continue to rise until 1913 (Martin 1938, 306-07).

As a result of the building of the two new lines, the CPR changed its land sales policy. It reduced the price of land close to the existing western line and increased the price near the CNOR and GTP lines (Eagle 1989, 99). By the end of 1905, the best of the railway belt lands had been sold (Hedges 1939, 166). At the same time, demand for reserve land surrenders escalated.

School lands sold in Manitoba brought an average of \$12.38 per acre; in Saskatchewan, \$14.32; in Alberta, \$11.68. These sales were taking place in areas where homesteading and railway lands sales had dominated the market in previous years, enhancing the value of the remaining sections (Martin 1938, 341-43).

Later, Oliver estimated the average price of land per acre on the prairies to have been \$5.09 (House of Commons, *Debates*, April 14, 1915).

The number of homestead entries dropped somewhat, from over 41,000 in 1904 to just over 26,000 in 1905. Of these entries, the largest block, 7730, was taken by Americans, followed by Canadians, 5756, and British, 4664 (Morton 1938, 128). Immigration from overseas was still rising.

The Canadian Prairie Lands Company, in which Sifton had an investment, and which was associated with the British Empire Agency, was incorporated to sell and resell lands.

### **Railways**

CNOR pushed construction of its lines, and in 1904-05 the lines from Erwood to Prince Albert, and from Grandview to Edmonton, were completed. One of the effects of construction was the creation of North Battleford as a townsite across the river from old Battleford. CNOR argued that high construction costs had forced it to bypass the hills of the older town. Saskatoon was also bypassed as the tracks ran through Warman just to the north.

The Grand Trunk Pacific had its official launch. The location plan for the new line west from Portage la Prairie (275 miles) was announced. It confirmed CPR assertions that new territory would not be opened up along this route as it was too close to the CPR line. When the route plan was further extended in September to encompass the route to Edmonton and beyond to Prince Rupert, there were protests from Battleford, Saskatoon, and Strathcona about the route (Eagle 1989, 99-100).

CPR began to expand its branch lines, constructing a branch from Wolseley, Saskatchewan, east to Reston, Manitoba (Eagle 1989, 101).

### **Indian Affairs Organization and Policies**

A debate in the House of Commons on May 25, 1905, about tendering policies revealed that some stockmen were buying cattle at low prices and selling them to the Department at considerably higher prices, thereby getting a profit. Inspector Markle had recently been in charge of much of the purchasing and now faced allegations that the Liberals on the patronage lists were getting the profits.

Oliver said that, in future, the cattle would be bought at auction rather than via middlemen. As to the management of stock, he stated:

Of course, the department retains a certain control over the stock, and the Indian is only allowed to kill and sell with the permission of the agent. Very strict care is exercised in that respect, and although stock is handed over to the Indians to be dealt with exactly as he pleases, at the same time certain control is retained by the agent, so far as is consistent with the encouragement of the idea of independence and of property in the mind of the Indian. (House of Commons, *Debates*, May 25, 1905, 6545)

The objective was to encourage the Indians to become self-supporting.

R.S. Lake challenged Oliver in the House about the power of the Indian agent, under the *Indian Act* of 1886, to operate as a magistrate or justice of the peace. In cases of disputes between Indians and whites, Indian agents were acting as magistrates, yet this role constituted a conflict because the agent acted as both prosecutor and judge. The same conflict ensued in disputes among the Indians. Oliver responded that the matter was worth looking into, especially in regard to the more settled areas where there were other local people to serve in this capacity, but he reminded Lake that the Indians were wards of the government:

They are a special responsibility on the Dominion government and therefore under its special protection and it is something to be considered very carefully before a conclusion is arrived at as to whether it would be desirable to withdraw from the Indians that protection which this government is now able to accord them through the position of the agent as a justice of the peace in administering the special legal provisions which are applicable only within the limits of the reserve and which are generally considered necessary to the well being of the Indians on reserve. (House of Commons, *Debates*, May 25, 1905, 6547)

The Indians, because they were wards of the federal government, were not subject to independent advice or arbitration in the normal course of things.

**Departmental Circulars** (signed by Pedley or the Commissioner's Office)

- All cattle killings and unauthorized sales are to be reported, whether the animal in question is private property, from the loan system, a treaty provision, or supplied as a reward for loyalty in 1885 (Pedley).

- No beef or other supplies are to be issued, without authority, to anyone other than those to whom they are intended.
- Employees are not entitled to servants, or to use rations and supplies to pay for household work.
- Deaths or resignations of a chief and councillors should be reported to the Commissioner's Office; authority must also be obtained for appointments.
- The aged and infirm are to be given a living allowance of 16 oz of beef and 14 oz of flour per day.
- Beef purchased from self-supporting Indians is to be paid for at going rates.
- Letter from Assistant Commissioner McKenna on March 7 to McLean, defending his right to ask for information that is normally sent to Headquarters, and stipulating that agents should not refuse his request, as Inspector Graham has advised his agents to do.
- Letter of March 23 from McKenna, saying that Graham has been advised to ignore his requests and to forward them to Ottawa. A response of April 13 said that the Department had not put such instructions in writing.
- Letter from Laird to McLean of April 5, asking why the Commissioner's Office has not been informed of staff changes in the Qu'Appelle Agency.
- A reminder to make purchases from the patronage list.
- Letter from McKenna to McLean of October 28 asking him to advise him where he, McKenna, has travelled, without notifying the Department, as per the recent rebuke.
- Laird advised by the Assistant Secretary to keep his employees under control so they don't write critical letters directly to the Department.
- Laird advised the Secretary on November 9 that his authority was being curtailed. He stated that he was informed on July 16, 1901, that McKenna was to be the assistant commissioner, but that McKenna did not appear until April 6, 1903. He, Laird, had no control over McKenna's activities during this time and could not exert discipline. Since then, McKenna has received many direct instructions, including the negotiation of surrenders, without Laird's being advised or consulted. Likewise, the Inspectors often receive letters to do certain work, without any involvement by Laird.
- Pedley replied on November 24 that although Laird's employees may receive instructions from Headquarters, they should advise Laird, and if they do not, it is Laird's fault.

- Because cattle are being killed or sold without permission, all cattle, including private stock, are now placed under government control. These cattle must be replaced out of annuity moneys. (NA, RG 10, vol. 3086, file 279222-1)

### **Surrender Demands**

R.S. Lake asked in the House about the surrender of the Crooked Lakes reserves (House of Commons, *Debates*, May 25, 1905, 6552).

CNOR pressed for the surrender of the southern half of Cote reserve, near Kamsack; J.G. Turiff, Commissioner of Dominion Lands, seconded this suggestion.

The Mosquito, Grizzly Bear's Head, and Lean Man Bands in Saskatchewan apparently requested a surrender of the lands allotted to the latter two bands. The request came in the words of Agent Day.

The Alexander Band in Alberta also asked for a surrender of land to raise money for a fence, a planer, a shingle mill, and other items. This was a repeat of a request made in 1904, but Commissioner Laird had suggested putting it off for a year or so.

Some residents of St Albert, Alberta, petitioned Frank Oliver for a surrender of a further portion of the Michel reserve. A local businessman offered to buy the land for \$3.84 per acre, less than CPR land was selling for in that year. According to Agent Gibbons (Oliver's Liberal appointee), the Band had made a request for a surrender at the end of the year.

Residents around the Qu'Appelle area wrote to the Department of the Interior and the Indian Department asking for a surrender at Muscowpetung. They had read in the *Free Press* that a surrender was imminent and that discussions were under way at the adjoining Pasqua reserve. It was also becoming generally known that the Grand Trunk Pacific might run its line through the Pasqua reserve.

Inspector Markle suggested that the land at the Alexander reserve would be \$6 to 10 per acre if surrendered.

### **Surrender Practice**

Frank Oliver said in the House of Commons on May 25, in reference to the Carry the Kettle surrender then in process:

That will be dealt with during the coming summer. At other places also efforts are being made to induce the Indians to part with portions of their reserve which they do not need, and for which they will receive the full prices that may be received by the government acting as their trustees. It is not possible for the government to enforce a surrender because the land is absolutely the property of the Indians. (House of Commons, *Debates*, May 25, 1905, 6552)

The Carry the Kettle surrender was taken in 1905 and was one of the first in which Inspector Graham assisted with negotiations. Agent Aspden actually took the surrender. The deal was to procure money to pay for a threshing machine and other band implements, and the Band expressed concern that the interests of the aged and those who did not farm be taken into account in the terms. Graham was adamant that the Department would manage the funds. Little information is available about the substance of the negotiations and the consent. The terms included money for debts, wire, and other capital purchases; compensation for improvements; and interest distributions at the discretion of the Department. There was no mention of provisions for the aged or for non-farmers, and Graham in fact recommended against the latter. McKenna of the Commissioner's Office complained of being left out of surrender discussions.

A surrender was also taken of the Grizzly Bear's Head and Lean Man reserves; the Mosquito Band was allowed to vote on the surrender, although it had no formal amalgamation with the other Bands. Agent Day took the surrender, but little is known about the substance of the meetings. The request had come jointly, it appears, from the bands and the agent.

There was a second surrender at Cote, at CNOR's request, in the wake of townsite development. This surrender was negotiated by the Reverend John McDougall, Oliver's newly hired agent. McDougall had the proposal for terms put forth as issuing from the Band. Commissioner Laird took the surrender, his second, after the 1901 Assiniboine surrenders. The terms included a land exchange, cash distributions to be made at specified times after land sales, and the balance funded for the Band. Improvements would be paid for.

A surrender from Alexander was taken after repeated requests from the Band, which wanted funding for a fence and other agricultural items and livestock. Little is known about the meeting or the negotiations, although there appears to have been some on-site negotiation. Inspector Markle took the surrender, after several discussions with the Band. At the Band's request, provision was

made for rations for the sick and the elderly. There was no cash distribution because the money was used for outfitting.

### **Surrender Sales**

On May 25, 1905, there was a debate in the House of Commons about the sale of some islands in Georgian Bay. These islands, highly desired as sites for summer cottages, had been the subject of dispute between Ontario and Canada. Those south of Moose Deer Point were claimed on behalf of the Chippewas of Lake Huron and Simcoe, who had surrendered them in 1856 to be sold for their benefit. The sales had begun in 1884, each application being considered separately by officials at or above the upset price and in the order of application. There was no public auction, and the issue surfaced in the House when F.W. Grant bought a lot on an island for \$140, a small sum compared with what could have been got at auction. Grant's brother was the Liberal MP for Northern Ontario, George D. Grant, who denied that he had used his influence. Grant was not the only Liberal who acquired these lands at low prices, and the debate was wide-ranging. Oliver defended the sales. Grant is of interest here because he bought land at several auctions in the West (House of Commons, *Debates*, May 25, 1905, 6477-89).

## **THE YEAR 1906**

### **Western Development**

The price of grain dropped this year to the same level it had been in 1901 – 75 cents a bushel for no. 1 wheat (Morton 1939, 125).

Hudson's Bay Company sales rose slightly, and the value of land escalated dramatically to an average price of \$7.89 per acre. CPR sales also rose significantly, and the average price rose to almost \$6 per acre. Calgary and Edmonton Railway sales dropped, and the price averaged \$5.60 per acre. CNOR sales rose, at an average price of \$4.95 per acre (Martin 1938, 306-07).

School lands sold in Manitoba at an average of \$12.21 per acre; in Saskatchewan, at an average of \$14.67; and in Alberta, at an average of \$9.72. The volume of sales in Manitoba rose sharply and hit a peak for the period of 125,086 acres (Martin 1938, 341-43).

The Canadian Northern Prairie Land Company was selling CNOR land at \$9.50 per acre (Hedges 1939, 151).

Oliver later estimated the average price per acre on the prairies to have been \$6.01 (House of Commons, *Debates*, April 14, 1915).

The Saskatoon and Western Land Company acquired rights to the indemnity lands of the Qu'Appelle, Long Lake, and Saskatchewan Railway at \$2 per acre. CNOR took control of the stock of the Qu'Appelle company (below), and there was a dispute between these two railways over land grant selections.

The directors of the Saskatchewan Valley and Manitoba Land Company and their associates, the Metcalfe, Sharpe and Stacpoole firm of Winnipeg, set up a series of real estate and loan companies: the Quill Plains Land Company, Saskatchewan and Alberta Land Company, and Canadian Loan and Investment Company. The companies had offices in Winnipeg and Humboldt, Saskatchewan, and attracted American investment.

The Luse Land Company was buying CPR land in Alberta at \$6 per acre and reselling it at a higher price (Hedges 1939, 164).

## **Railways**

CNOR acquired the Qu'Appelle, Long Lake, and Saskatchewan Railway, thereby gaining access to Saskatoon and undercutting the GTP line built into that city.

GTP had its main line route plan confirmed. It extended west from Winnipeg to Portage la Prairie, to Touchwood, to just south of Saskatoon, and thence to Clover Bar, east of Edmonton, and then Edmonton. Strathcona, south of the river, was bypassed. The line went south of Battleford. The company also formed the Grand Trunk Pacific Branch Line Company, with the intent of building a series of branch lines across the prairies. The approving legislation was passed in July over protests from Conservatives that some of the proposed lines were too close to the CPR (Eagle 1989, 99-101).

The CPR began construction of a line from Yorkton through Saskatoon, and on to Wetaskiwin, Alberta. This line would connect at Yorkton with the old Manitoba and North Western line, and at Wetaskiwin with the Calgary and Alberta line. A line from Moose Jaw to Outlook was



begun, along with one from Weyburn to Staughton, to connect with the Souris line (Eagle 1989, 101).

### **Indian Affairs Organization and Policies**

The question of the lease on the Blood reserve came up on March 30 in the House. W.H. Bennett asked whether Peter Ryan and Charles Beck were connected with the lessees, McEwan Cattle Company of Brandon. Unlike the leases of the Department of the Interior, the Indian Department calculated costs per head of livestock rather than per acre. There were two existing grazing leases, one on the Blood reserve and another by the Mauncey Brothers of Macleod on the Peigan reserve, both effected in 1903. Bennett calculated that the rate per acre for the Blood reserve was 1¼ cents per acre, compared with 2 cents per acre paid through the Department of the Interior. Oliver denied knowing anything about the involvement of Ryan or Beck, and he defended the leases. He pointed out that if the number of Indian cattle grazing on the leased lands were included, the lessees were actually paying 2½ cents an acre (House of Commons, *Debates*, March 30, 1906, 956-59).

R.S. Lake protested the appointment of Liberal organizer P.J. Hamilton as a farming instructor on a reserve that had no cultivated land (House of Commons, *Debates*, March 30, 1906, 1243-44).

### **Departmental Circulars (from J.D. McLean)**

- Agents are asked to report the influence of white men on reserves, whether they are married to Indian women, permanently or temporarily, the number of dependants, and the effect on morality.
- The Department will buy beef from Indians at 4¾ cents per pound for cows and 4½ cents per pound for oxen, with ¼ cent per pound added for the bull fund.
- The rate has increased to 6 cents per pound for fat cows and steers, to be paid to self-supporting Indians, and all others to be paid 5 cents per pound.
- How seed grain should be handled.
- Collections of \$2 per animal for the bull fund should always be made, regardless of why they were sold or to whom.

- All cash received should be listed under “Dr” and itemized; all expenditures should be under the “Cr” heading, with full information about the purchase.
- All destitute Indians are to be supported, if their relations cannot do so, but with the strictest economy kept in mind (NA, RG 10, vol. 3086, file 279222-1).

### **Patronage**

#### *Calgary*

- William Service (blacksmith) for Blackfoot reserve (NA, RG 10, vol. 11127, letter of McLean to Agent, March 1906). He had previously been recommended as a farming instructor at Blackfoot in 1901 by J.A. Smart.

### **Surrender Demands**

William Staples, MP, raised the question in the House of Commons of the demand by the settlers for the opening of the Swan Lake district. Oliver responded that he would get as much of the reserve as he could (House of Commons, *Debates*, April 5, 1906, 1246-47).

Inspector Marlatt of Lake Manitoba proposed the surrender of a townsite at The Pas Mission reserve following expropriation of a CNOR right of way and station grounds. He reported that several local people had already asked to buy land.

Oliver appointed Hector Howell as Commissioner to look into the St Peter’s land claims, and Howell became an ardent advocate of surrender just at the time the land prices in Selkirk, adjacent to the reserve, were booming.

John Herron, MP, asked in the House about a surrender at Peigan for a townsite (House of Commons, *Debates*, June 1906).

### **Surrender Practice**

The *Indian Act* amendments in 1906, with the exception of the change in June (see below), contained few changes relevant to surrender practice. In particular, the affidavit must in future be sworn by “some of the chiefs or principal men” rather than “some one of the chiefs or principal men.”

Bill 194 was introduced by Frank Oliver in June 1906 as an amendment to the *Indian Act*. The bill, passed at the end of July, allowed for an increase in the amount of money paid as equity to a band

at the time of surrender, or, in some cases, after surrender. The original limit of 10 per cent was raised to 50 per cent, and Oliver argued that this amount would be more persuasive to those bands contemplating the decision. It would allow the official taking the surrender more latitude in making arrangements.

Excerpts from the *Debates* in the House of Commons on June 15, 1906, are as follows:

Mr Oliver: Some weeks ago, when the House was considering the estimates of the Indian Department, it was brought to the attention of the House by several members, especially from the Northwest, that there was a great and pressing need of effort being made to secure the utilization of the large area of land held by Indians in their reserves without these reserves being of any value to the Indians and being a detriment to the settlers and to the prosperity and progress of the surrounding country. Several suggestions were made with the view of facilitating the object which seemed to be generally acceptable to the House and it seemed to me, in considering the matter, that one step that might be taken would be to provide for increasing this first payment to the Indians from ten per cent to as high as fifty per cent according to the judgement of the government in the matter and according to the case as it might be. . . . I have had some figures prepared which show that in the province of Manitoba the Indian population is 6,870 and that the area of reserves is 326,013 acres. The Indians are entitled, under the treaty, to 160 acres to each family of five, but, taking the Indian population and the area of the reserves, there is to-day held in Manitoba a surplus of 106,073 acres over and above what was recognized in Manitoba as their treaty right. That amounts to one-third of the area to which they are properly entitled. Of course, the Indian Department or the government have no right or authority to interfere with their holding, although it is in excess of the amount contemplated by treaty. The only way they can be induced to release their holding is by purchase, as they are proprietors in every sense. In Saskatchewan and Alberta there is an Indian population of 14,020 and the acreage of the reserves is 2,619,154. In the Northwest the Indians, under the treaty, are entitled to 540 acres to each family of five. But, on that calculation, there is left a surplus of 824,954 acres in Saskatchewan and Alberta over and above the treaty allowance of 640 acres to each Indian family of five. If the Indian treaty in the Northwest was on the same basis as that of Manitoba – that is 160 acres to each family of five – the surplus in the Northwest would be 2,171,114 acres. That is to say that the Indians in Saskatchewan and Alberta are holding to-day 2,171,114 acres over above 160 acres to each family of five. The present conditions, when land is in demand, when towns are building up in many cases in close proximity to these reserves is certainly one which demands attention, and the purpose of this Bill is that it shall be given attention. I may say that some effort has been made to deal with Indians in regard to their lands recently. [Cites surrenders at Cote, Grizzly Bear's Head/Lean Man, and Pasqua.]

Mr Blain: How did the Indians become possessors of such large quantity of land in excess of what they are entitled to?

Mr Oliver: It was a part of the treaty with the Indians that they should have as I said 640 acres to each family of five, in the provinces of Saskatchewan and Alberta; at that time land was of very little consideration and it was very desirable to get the treaty made with the Indians. There was no means of finding out accurately what the number of the Indians was. A great deal was taken for granted. The band was estimated to contain so many souls and the land was selected accordingly and once that land was set apart for that band it did not matter how much . . . it was the absolute sacred right of the Indians to that land . . . Of course there have been a good many cases of a decrease in the Indian population, after the reserves were set apart and of course this makes the disparity between the people and the land just that much greater.

Mr Sam Hughes: I think the sooner these Indian bands on the reserves are broken up and distributed among the white people the better. There are vast areas of land held as Indian reserves all over that country, and not one acre in a thousand is utilized by them even for pasture, though the Indian reserves are invariably the best lands. I certainly would agree that with the proposition that these areas should be sold at the present time and opened up for settlement, so that some body can utilize them. I am satisfied that the only way Indians can be civilized is to induce them to take up their own farms on the reserves and let the white people settle around them. Any one who knows the Indians of the Northwest knows that the Indian on the reserve is of no use.

Mr R.S. Lake: I suppose that in the majority of cases at present the Indians are not cultivating one twentieth part of the land in their reserves. In one reserve that I have in mind, enough land could be retained to give ample room for all the Indians on that reserve, and still enough could be sold to realize a sum which would enable the government to provide such a band of Indians with the necessaries of life for all time to come, quite apart from what they would raise on their farms. I believe that the government will be perfectly right in taking steps to sell the lands south of Sinaluta and Pasqua's reserve. In both cases the land became of value by reason of the settlements which had come in. It is not fair to the settlements that there should be areas of land adjoining it not subject to taxation – because of course, so long as the title remains in the Crown it cannot be taxed – in which no public works are being carried out and which are a drawback to the whole settlement. Another point is that I think it is advisable, so far as possible, to encourage the Indians to get smaller farms and to place them more in the midst of the white population. In that way, they would be much more amenable to civilizing influences. So long as they are isolated on large reserves, only a small portion of which they bring into cultivation, the more difficulty will be experienced in bringing them into accord with civilized life. One point I would emphasize strongly is that, if the Indians relinquish a portion of their lands, those lands should be put up for auction. There should be an upset price as suggested by the Minister of the Interior. But the great point is that the fullest publicity should be given to the sale.

Mr R.L. Borden: The minister will realize that it is important that we should know that, inasmuch as he proposes to increase from ten to fifty per cent the proportion that is to be handed over to them. Is it the experience that the moneys thus handed over are used for wise and useful purposes, or are they squandered? If they are foolishly expended in many or in most cases, it might be a matter for consideration, how far the government should go in undertaking to hand over to any band of Indians so large a proportion as fifty per cent of what is, after all, a trust fund.

Mr Oliver: The system adopted is not to hand over the money to the Indians at all, but to decide, after consultation with the band, what is the principal requirement of the band in the way, for instance, of machinery, or horses, or something that will be of advantage to them. It is a matter of arrangement between the band and the department at the time the surrender takes place. . . . That meant we were only authorized to hand over fifty per cent of the proceeds to the band. We do not hand it over in cash, but in the form of buildings, improvements in machinery, something that will improve the condition of the Indians, not by placing cash in their hands to expend in any way they please.

Secretary McLean wrote to Commissioner Laird on July 26, 1906:

In connection with the preparation of your estimates for 1907-8, I beg to inform you that those bands which have surrendered lands and consequently have funds at their credit sufficient to supply their needs should not be provided for in the Estimates beyond the provision called for by Treaty stipulations. . . . Indians having funds of this nature at their credit should not any longer be a charge upon the country. Their interest moneys should be used to supply their wants. This ruling applies to all bands which have sufficient interest monies at their credit, and the fact should not be lost sight of when the estimates are being drafted.

The letter then listed bands that might be thought of as self-sufficient: White Bear, Yellow Quill, Cumberland and James Smith, W. Watt's band, Enoch, Paul, and Michel (NA, RG 10, vol. 3086, file 279222-1).

The Michel surrender taken in 1906 was negotiated by Inspector Markle, with the help of Edmonton Agent James Gibbons. Markle took the surrender on June 22, just before legislation was passed that amended the *Indian Act* to allow for a 50 per cent distribution of the sales proceeds to the band. Markle's offers of additional agricultural assistance overturned a vote earlier in the month

which had opposed a surrender, on the grounds that the Department had not sufficiently accounted for the proceeds from the 1903 surrender, in spite of the fact that the Band had asked for a surrender to get agricultural outfits. Little information is available about the meeting, the negotiations, or the level of consent. The surrender document, with handwritten additions in both Markle's and another person's (probably the agent's) handwriting, suggests a negotiation of terms and includes an itemized list of livestock and implements to be purchased from capital. Changes in the terms are initialled by the Chief.

The Pas Band townsite surrender followed on August 21, 1906. Inspector Marlatt proposed a townsite surrender to adjoin the planned CNOR station grounds. The proposal followed the realization that the Department had authorized CNOR to run a line across the reserve and to set up station grounds, without ever having seen the plans. Marlatt set up the terms of the surrender in consultation with Commissioner Laird, before taking them to the Band. Marlatt received authorization to take the surrender, and to offer an advance, ostensibly for removing buildings from the proposed townsite. The surrender document also included a deed of land to the Chief, and it named certain individuals or firms who were to be allowed to buy lots as well as the price of purchase. There is no information on meetings, negotiations with the Band, or level of consent. Marlatt said that he took the surrender under opposition and had to make personal promises to look after terms and implementation. The surrender agreement was modified a few years later to match the promises Marlatt had made at the time of negotiation.

A surrender was taken of the Pasqua reserve in Saskatchewan in June after repeated votes. The plans for passing the Regina-Melville branch of the GTP through the reserve had produced added outside demand. The Pasqua surrender seems to have been the first instance where William Graham used his formula of terms: one-twentieth distribution at the time of surrender, one-twentieth after sale, funding of moneys for children 12-18 (to be given to them when they became adults), and compensation for buildings and improvements. In the course of working out the terms for taking this surrender, Graham checked on some departmental policies. He was told that the proceeds should be funded for annual interest distributions and that the positive vote of the chief was not necessary if the majority voted in favour. After the surrender, Graham was chastised for not taking more land as he had previously proposed. It was noted that with the new amendment to the law allowing a larger

distribution, it should not be difficult to go back and take more land (NA, RG 10, vol. 3994, file 195,126/2, memo of McLean to Oliver, June 30, 1906).

There were also surrenders in Manitoba at Keeseekoowenin IR 61 and at Waywayseecappo. In Alberta, there was a surrender at Wabanum (White Whale Lake) for the Paul Band in 1905.

### **Surrender Sales**

When Inspector Marlatt took a surrender at The Pas in August, his letter accompanying the completed surrender recommended a three-payment schedule and 6 per cent interest on townsite sales; this recommendation contravened the existing regulations and may or may not have been discussed with the Band as a condition of sale.

On March 30, 1906, a debate took place in the House of Commons between W.H. Bennett and Frank Oliver over a sale of Indian land in northern Ontario. Bennett asked whether the Indians had independent legal advice, and Oliver replied they did not, since the officials of the Department were responsible for the "Indian side of the transaction." Bennett challenged the fact that the company which bought the land was paying 5 per cent interest on instalments whereas the Indians were getting 3 per cent. Why were they not getting the 5 per cent on unpaid principal? Oliver said this rate was fair because it applied to all Indians, not just that Band, and that the 5 per cent went into the capital funds from which the interest was drawn (House of Commons, *Debates*, March 30, 1906, 943-46).

R.S. Lake raised the question in the House on the opening of reserves. The sales of land on Carry the Kettle, Grizzly Bear's Head/Lean Man, Alexander's, and Cote were referred to (House of Commons, *Debates*, 1906, 331).

In February the lands from the Carry the Kettle surrender were put up for auction at Sintaluta. The Order in Council accepting the surrender did not authorize an exemption from the land sales regulations, yet the lands were sold at 5 per cent on instalments. The attendance was very poor and the land went to speculators, including Sam Clarke of Cobourg, Ontario, a major purchaser of Indian lands. The other purchasers had Brandon/Winnipeg connections, and one family, the Mathesons, were Liberals and known to Sifton through party matters. The lands were sold at or near the upset values, which ranged from \$4 to 8 per acre.

An Order in Council of March 21, 1906, amended the Land Regulations of 1888 to allow purchasers who had acquired less than the maximum amount of land permitted under the regulations to acquire the remaining quantity from any available lands situated within a two-mile radius of the land first acquired, provided that two or more parcels subsequently acquired were side by side (NA, RG 2, vol. 905, file 1358 D/3).

The first auction of the Grizzly Bear's Head/Lean Man lands was held in June 1906 in Battleford. An internal recommendation that the land be sold by tender was rejected and the land was sold at auction, over a span of four years. By the time of this and subsequent sales, the distribution list used by the Department for advertising sales was extensive. The planning for this auction was badly organized, however, and attendance was small. The auction was conducted by S.S. Simpson, a former employee of the Department of the Interior and the Indian Department who had recently become a realtor. Simpson and his associates were purchasers of land, as was E.H. White, son of William J. White of the Interior Department. Wilbur Bennett of Omaha acquired much of the land on subsequent assignment, and Agent Day's wife also acquired land. The average sale price was \$4 per acre, just beyond the valuation prices.

In October the lands from the 1905 Alexander surrender were put up for sale by auction. At Oliver's request, the sale was exempted from the land regulations. The lands sold at an average of \$6 per acre. Most of the purchases were made by four land speculators, including Joseph R. Miller, the major purchaser at the Pasqua land sales, which were also held in October 1906.

The Pasqua sale was held on October 17. Graham complained after the fact that the upset prices were too high and that the Department should not have held to them. He had been instructed on October 3 by McLean to use the upset prices as reserve prices. If they could not be obtained, he was instructed to use the estimated \$8 per acre price specified in the surrender as a minimum. Also, he claimed, there was insufficient local advertising. Joseph R. Miller obtained a large quantity of land there, as did other outside speculators, but the proposed GTP line kept prices high, at an average of \$13.41 per acre (NA, RG 10, vol. 3994, file 195126/1).

In November 1906, Inspector Graham suggested, in reference to the Pasqua sales, that the land might sell better at auction if the terms of sale were changed from one-fifth down (five instalments), at 6 per cent, to one-tenth down (10 instalments), at 5 per cent. This policy had been



employed with the Gamblers sales in 1900, in accord with provincial policy, and was changed in 1906 to accord with the terms of school lands sales. This change was made by Order in Council in December 1906. Interest was still charged on instalments rather than on the unpaid balance. The change was applicable only in the three Prairie Provinces (NA, RG 10, vol. 3994, file 195126/2, Graham to McLean, November 17, 1906; vol. 1127, Frank Oliver to Governor General in Council, December 18, 1906).

The Michel 1906 surrender lands, and the unsold lands from the surrender in 1903, were put up for auction on December 5. The eastern lands went for \$12.93 per acre on average, and the western lands went for an average of \$8.47 per acre. The minimum price for the eastern lands, surrendered in 1906, was \$10 per acre. While there were some local buyers, two speculators purchased the greatest amount of land: Christopher Fahrni and F.W. Grant. Both these men had difficulty paying for the land, and Fahrni's sales were cancelled in 1910. They were quickly reinstated when he had an opportunity to sell to J.J. Anderson, Frank Oliver's son-in-law. Oliver acquired title to some of these lands after he left office as Minister of the Interior.

The Cote 1905 surrender lands were put up for auction in December in spite of Graham's objections that this was a poor time for sales. The land sales were exempted from the land regulations by Order in Council and sold at 5 per cent interest. Graham also thought the upset prices were too high; only a fraction of the land sold, but it at least matched or exceeded the upset or reserve price of \$12 per acre on average. The auctioneer was given explicit instructions not to release upset prices in advance. However, a distribution list of 57 individuals and companies received notice of sale.

## **THE YEAR 1907**

### **Western Development**

In 1907-08 there was a recession in the national economy and a slump in grain and land prices. The number of homestead entries diminished from 30,819 in 1906 to 21,647 in 1907, though they rose again after 1907 (Morton 1938, 128). The largest number of homesteads continued to be taken by Americans, followed by Canadians and British, then Galicians, Scandinavians, and Russians. Hudson's Bay Company sales dropped, but the value per acre on average rose to \$10.73. CPR land sales decreased also, and the price averaged \$5.66 per acre. Qu'Appelle, Saskatchewan, and Long Lake

Railway lands sold in Saskatchewan at \$12.41 per acre; Calgary and Edmonton Railway lands sold in Alberta at \$5.81 per acre. CNOR lands sold at an average of \$5.90 per acre and the volume of its sales was still rising (Martin 1938, 306-07).

School lands sold in Manitoba at an average of \$10.35 per acre; in Saskatchewan, at \$18.96 per acre; and in Alberta, at \$14.38 per acre. With the exception of Manitoba, the volume of sales was small (Martin 1938, 341-43). Later, Oliver estimated that the average price per acre of land sales in the prairies in 1907 was \$6.02 (House of Commons, *Debates*, April 14, 1915).

The Canadian Prairie Land Company sold land at \$9.50 per acre, having bought it in 1905 at \$3 per acre. Interest rates were 6 per cent.

Land in the belt between Regina and Saskatoon was selling at \$7.50 to \$12 per acre, according to OCPC 1573/1907 (NA, RG 15, vol. 1016, file 1583000/1).

### **Railways**

The Grand Trunk Pacific contracted to build from Winnipeg to Portage, and from Touchwood to Edmonton, cutting just north of Saskatoon. It also built a line into Saskatoon, to link that city with its route (Eagle 1989, 100).

The CPR began a line from Regina to Saskatoon and built a railway over the river in Saskatoon to bring its line into the centre of Saskatoon (Eagle 1989, 101).

### **Indian Affairs Organization and Policies**

#### **Departmental Circulars** (signed by J..D. McLean)

- Agents should not spend beyond their allotments, or move funds, without permission; purchases should be confined to the patronage lists.
- All outstanding accounts should be paid by year end, and not out of the following year's appropriations.
- Farming instructors should quit making trips to town unless on official business.
- On June 20, Inspector Graham is reminded by McLean to let the Commissioner's Office know of staff changes.

- No lawyers are to be retained without permission from the Department of Justice (NA, RG 10, vol. 3086, file 279222-1).

### **Depositions**

- Chief, Cote, on May 11 (NA, RG 10, vol. 1127, memo of May 11, 1907).
- Headman, Valley River, intemperance (OCPC 1167/1909).

### **Surrender Demands**

On April 20, 1907, the question of a surrender of the Blood reserve was posed (House of Commons, *Debates*, April 20, 1907, 7280).

In February, a canneries company approached Commissioner Laird about obtaining a section of land on the Blackfoot reserve for its operations. It clearly expected that the land could be sold at \$5 per acre, without a surrender. Laird endorsed the proposal, but Markle said he doubted that the Indians would agree, and that the value of lands in that area was more like \$15 to \$20 per acre.

On January 23, 1907, W.M. Alexander of Calgary, of the Builder's Supply and Construction Co. and also president of Rocky Mountains Cement Co., asked Sifton to push for a surrender of some land at Horseshoe Falls on the Stony reserve for hydro development. Alexander, backed by a "syndicate from Montreal," offered to pay the Indians for the land so he could obtain a franchise to supply power. There was mention of a struggle with R.B. Bennett and J.A. Lougheed, who already held a franchise, but the nature of the request is somewhat obscure. Sifton, however, replied that he would approach Pedley about the surrender: "Whatever I can do to assist you, will be cheerfully done." On December 11, Sifton wrote again, saying he had spoken with Oliver about the water power matters. "There will be no objection raised on the part of the department. It will be a question simply of getting a surrender from the Indians. The Deputy has been authorized to proceed on these lines" (NA, Sifton Papers, MG 27, II D 15, vol. 296).

The Battleford area press reported in 1907 that the Moosomin and Thunderchild reserves might be surrendered, and this announcement prompted a flurry of inquiries. Liberal MP George McCraney met with Pedley to discuss a proposal for a surrender.

### **Surrender Practice**

Inspector Graham went to the Crooked Lakes of the Qu'Appelle Valley, Saskatchewan, to take a surrender in early 1907, after years of demand by local settlers and discussions with the bands. In meetings held with departmental officials in 1902 and 1904, there had been opposition to surrender. When Graham met with the bands in June 1906 they were still opposed, although he felt that he could have taken the surrender if he had had cash on hand, as he had at Pasqua. He hoped that word of the Pasqua surrender and cash settlement would serve as an incentive here. Graham recommended one-tenth advance and quiet negotiations, so as to avoid the depredations of outsiders. He estimated the land to be worth \$8 to \$11 per acre. After setting the terms in advance, Graham had repeated meetings with the bands in January 1907, resulting in surrenders taken at Cowessess and Kahkewistahaw. Ochapowace refused. At Cowessess, 15 voted in favour, and 14 opposed the surrender. Although there are skeletal minutes of the meeting, the tenor of negotiations is not known. Graham did promise a larger down payment than he had authorization for, and he had to delay some of the payments until this authorization came through. The terms included an advance payment, compensation to owners of improvements and buildings, and funding of moneys for children aged 12 to 18. This was to be Graham's standard package of terms.

Graham took a third surrender at Cote in 1907 on his own instigation. He felt that the 1905 surrender should be overturned and a new surrender taken of land closer to the townsite of Kamsack. Graham asked for a 20 per cent cash distribution to the Band because the second payment on the 1905 surrender had not been made. He procured a vote on June 20 of 26 in favour to 5 against a surrender (out of approximately 52 voters). Little is known about the meeting or the negotiations. The terms were much the same as those at Cowessess.

Inspector Graham and the Reverend John McDougall were involved in the Fishing Lake surrender in the summer of 1907. As with the Crooked Lakes Bands, Graham met the Fishing Lake people in June 1906 and asserted that, if he had had the money, he could have taken a surrender then. McDougall arranged to meet with the Band at treaty payment time and found members were concerned about the rights that the Nut Lake or Kiniston people had to share in the surrender. The terms he had taken were similar to those recently employed by Graham at Pasqua.

In 1907, Graham was asked to obtain agreements from all three bands (Nut Lake, Kiniston, and Fishing Lake) pertaining to the formal separation among them. After cutting the Commissioner's Office out of the process, Graham obtained the agreements and the surrenders. In a later memoir (1991), he was to describe the surrender meeting and some of the concerns raised by the people, but few of them pertained to the surrender. There were at least two days of deliberations prior to the surrender. In this case, Graham issued per capita payments, then asked for some of the money back to pay for farm implements and rations. There is little evidence of who voted, in relation to the membership; there was no recognized chief. The terms included compensation for improvements and buildings, and advertising and sale of land by public auction.

A controversial surrender was taken of the St Peter's IR 1 near Selkirk, Manitoba. Hector Howell, the head of the government team, had repeated meetings with the Band and the council. Howell had been empowered by Frank Oliver to settle claims for St Peter's, and his primary approach to the complex river lots issues was to obtain a surrender of the entire reserve. He was assisted by Oliver, with whom he negotiated a set of terms in early 1907, by Frank Pedley, who actually took the surrender, by the agent and inspector, by the government-appointed band solicitor (Sifton's cousin), and by several local men with business or speculative interest in the land. A number of issues would plague the surrender and its aftermath and garner public attention and debate: repeated meetings and persuasion, the use of bribery, lack of clear explanation of the surrender, unconventional voting methods, the involvement of the businessmen (most of them Liberals), and the outcome of river lot and reserve sales. Over a period of years, the St Peter's people moved on to a new reserve at Peguis.

In preliminary discussions with Swan Lake, Manitoba, the Band suggested a minimum sales price of \$22 per acre, given local prices; the government negotiator, McDougall, suggested \$10.

A surrender was also taken of IR 73A at Leech Lake near Yorkton from the Little Bone Band in Saskatchewan. The reserve of 10.9 square miles had been surveyed in 1884 by John Nelson for Little Bone, half-brother of Cowessess. In 1887, the Band had become informally attached to Sakimay, and most, but not all, of the band members were living at Sakimay. In March 1907, Accountant D.C. Scott wrote an internal memo to Pedley with information about the Band, recommending that Graham be authorized to take a surrender from the former Little Bone members living at Sakimay. An amalgamation would take place at the same time, thus ensuring that Sakimay

would benefit from the proceeds of sale. Graham agreed with the request and said he would not ask for an advance for a cash distribution because he hoped he could take the surrender without it; if not, he would request cash later. It appears that Graham went first to Sakimay to take the amalgamation. When he explained the need for an amalgamation, he stated that the Band would receive the proceeds of the sale of the Leech Lake reserve, even though there was as yet no agreement to surrender. While at Leech Lake, and before going on to Fishing Lake to take a surrender, Graham found four men whom he deemed to be eligible for vote as former Little Bone Band members. He took three of them with him to Leech Lake, where he met with them and the two men still resident at Leech Lake. By Graham's account, five men were present at the meeting in July; the three men living at Sakimay voted for the surrender, and the two men living at Leech Lake opposed it, refusing to sign. They would later allege that the three men who came in from Sakimay had no right to vote in the surrender of land because they no longer had any interest in it. Peter Hourie was present as interpreter, and the Indian Agent was a witness. No cash was distributed at the time, but later in the summer Graham returned to Sakimay and paid each former member \$40. When called upon in 1926 to explain the surrender, under charges from the Leech Lake men that it was not properly taken, Graham said that he had spent many hours explaining the surrender and had taken a proper vote.

The two men and their families who lived at Leech Lake declined the money and continued to oppose the surrender, refusing to move off the reserve. These two families were allowed to retain some of the land, and only a third of it sold at auction in 1909. In 1918, local residents asked on their behalf that they be allowed to keep their holdings as a reserve; the 19 people remaining at Leech Lake were largely destitute. In 1921, the RCMP forcibly removed them to Sakimay and burned their houses on the reserve. Commissioner Graham endorsed this solution. They returned and took up residence on about 1000 acres of land at Leech Lake which remained as reserve land; they made their living selling hay and wood. Eventually, in 1962, the remaining reserve lands at Leech Lake were put under the control of Sakimay and became IR 74C; there was also an exchange of land with the province in 1961.

In Alberta, a surrender was taken from Chiniki, on the Stony Reserve, by Agent J. Fleetham. In 1911, the Band sent a complaint with the delegation to Ottawa, stating that Graham had told them that, if they did not agree to the surrender, the land would be taken from them anyway.

McDougall, in a meeting with Swan Lake in 1907, made a proposal similar to that used at Muscowpetung in 1909.

### **Surrender Sales**

Joseph Armstrong, MP, asked in the House of Commons in 1906 for information about land sales and, on April 20, 1907, he called attention to the fact that the Department had sold 500,000 acres, without benefit of tender or auction, at low prices of 10 and 20 cents an acre. He urged that all lands be sold at auction (House of Commons, *Debates*, April 20, 1907, 7282).

## **THE YEAR 1908**

### **Western Development**

In 1908 the Department of the Interior ended its railway land grant system and required the railways to select their remaining grants so that the rest of the dominion lands could be offered for sale. In a revision to the *Dominion Lands Act* of 1908, the government also revived the pre-emption policy, on the realization that dry farming required a minimum of 320 rather than 160 acres. These pre-emptions were offered at the rate of \$3 per acre and were limited to lands in the semi-arid areas that had not been chosen by the railway companies (see Lambrecht 1991, 24-26).

Hudson's Bay Company lands sold at an average price of \$12.61 per acre; CPR lands sold on average at \$8.97 per acre. Qu'Appelle, Long Lake, and Saskatchewan Railway lands sold in Saskatchewan at \$12.25 per acre. Calgary and Edmonton Railway lands sold at \$8.79 per acre on average, and CNOR lands sold at \$8.68 per acre. Sales volumes were very low across the board (Martin 1938, 306-07).

School lands sold in Manitoba at an average of \$12.76 per acre; in Saskatchewan, at \$11.71 per acre; and in Alberta, at \$10.94 per acre. The number of sales in Manitoba and Saskatchewan was low because of poor harvests (Martin 1938, 341-43).

Later, Oliver estimated the average price per acre sold on the prairies in 1908 to have been \$8.80 (House of Commons, *Debates*, April 14, 1915).

The Canada Saskatchewan Land Company attained control of the 493,000-acre block of indemnity lands of the Qu'Appelle, Long Lake, and Saskatchewan Railway, now under CNOR control.

At the same time, the railway company denied that it knew that Sifton had increased the reserve lands of the company when it sold rights to these lands to the Saskatchewan Valley Land Company in October 1902. E.B. Osler, MP for West Toronto, said in the House that he was not aware when he sold some lands belonging to the Regina, Long Lake, and Saskatchewan Railway Company to the Saskatchewan Valley Land Company that the value of the lands had increased because of a federal order in council increasing the area of the lands to be sold by the company. J.G. Turiff answered by saying that Sifton had twice written to Osler's solicitors informing him that additional land had been set apart (House of Commons, *Debates*, July 15, 1908, 13136).

### **Railways**

In 1908, CNOR began its branch line program across the West, linking the various small centres. Funding came from investors in Great Britain and Europe who bought the bond issues. Construction began on a branch line from Brandon to Regina. The company had already absorbed a short line built from Brandon to Portage in 1905 (Regehr 1976, 207).

The CPR also launched a more extensive branch line project, but it was soon cut back because of the recession of 1907-08. An extension from Moose Jaw to Lacombe, Alberta, was approved (Eagle 1989, 102).

The Grand Trunk Pacific built a line from Edmonton to Wolf Creek.

### **Indian Department Organization and Policies**

The entire Indian expenditure in 1907-08 was \$1,250,000, of which \$200,000 was spent in the management of Indian Affairs in Manitoba and the Northwest. Except for one or two bands, most Indians were not self-sustaining (House of Commons, *Debates*, July 11, 1908, 12738).

The issue of the Blood lease was raised again on July 11. Oliver was attacked on several issues. The Indian Agent, James Wilson, who negotiated the 1903 lease, then left to become an employee of McEwan Cattle, a grazing company. It was also alleged that Inspector Wadsworth was



secretly working on behalf of the company at the time of the lease and that he falsely represented his interests to the Indians, who were now dissatisfied because the company was not providing the improvements it had promised. The Commissioner's Office was upset because it had not been notified of the lease, but was receiving the complaints. In addition, Peter Ryan and Charles Beck were laying suit against James T. Gordon, William Fares, Gordon Ironsides, Robert Ironsides, Charles Millar, and Walter McKeown over non-payment of their 40 per cent share of profits. R.S. Lake, MP, also charged that when the lease was made, higher offers were on the table, and that correspondence from Oliver at the time was in favour of local Mormons over outsiders (House of Commons, *Debates*, July 11, 1908, 12743-46). Gordon, Ironsides, and Fares were cattle exporters out of Winnipeg.

When the Ferguson Commission released its report, the issue came up in the House again, on April 14, 1915. In this debate about the contents of the report, the information was put on the table that A.C. Bedford-Jones obtained a 6 per cent interest in the lease through Peter Ryan, a prominent Liberal, and that it was held in trust for, and eventually turned over to, Frank Pedley, in payment of a debt owed to Pedley by Ryan. Pedley would have been the Deputy Superintendent General at the time the lease was taken (House of Commons, *Debates*, April 14, 1915, 2560).

#### **Departmental Circulars** (signed by J.D. McLean)

- Assistant Commissioner McKenna wrote to McLean on February 20 saying that Inspector Graham and his staff were not notifying him of staff leaves and the like.
- Officers of the Department may act as informers and collect half the fines.
- The agent must ensure that the aged and infirm are looked after.
- No departmental reports can be given to outsiders without permission (NA, RG 10, vol. 3086, file 279222-1).

#### **Depositions**

- Headman, White Bear (OCPC 1840/1908).

### **Surrender Demands**

In the House, 1908, for the Blood and Sarcee reserves.

In the House, 1908, for the sale of Crooked Lakes lands.

In the House, 1908, for the Swan Lake reserve.

In the House, 1908, for Muskoday.

E.L. Cash, MP, asked about a possible surrender at the Key.

Some members of the Muscowpetung Band suggesting selling some land at \$25 per acre, a sum they believed adjoining farm land was commanding.

### **Surrender Practice**

In reference to a question about repeated failed efforts to take a surrender at Sarcee, Oliver said:

The lands are absolutely the property of the Indians, so that we cannot take them except with their consent. We have made every offer in reason, but this particular tribe has been known from time immemorial as the most intractable on the plains. We are not relaxing our efforts, but my hon. friend will perhaps agree that with Indians, as in the case of white people, if they have something you want, the more they know you want it, the more they are likely not to let you have it. In negotiating with them, it is not good policy to keep continually urging them to make the surrender. It is better to make a liberal offer, and if it be not accepted, cease all efforts for the time. If you keep continually urging on them to surrender their lands after they have made a refusal, they will get an entirely exaggerated idea of their value, and it may become absolutely impossible to negotiate with them. (House of Commons, *Debates*, July 11, 1908, 12751)

Part of Swan Lake IR 7 in Manitoba was surrendered, as was all the adjunct reserve, IR 7A, at Tramping Lake, Saskatchewan. The Reverend John McDougall began to negotiate in 1907, encountering distrust and opposition. The Band was more open to the idea of selling Tramping Lake, which it had not used, provided it got the moneys on a per capita basis, based on minimal sales of \$22 per acre. McDougall then worked through the farming instructor to have the Band submit a subsequent proposal for a surrender of part of IR 7 and all of IR 7A, with \$10 per acre minimum sales and one-third paid per capita. When the surrender was taken January 28, 1908, Inspector Swinford took it, with Robert Logan as witness, and it contained the terms in the band proposal. It is not clear

what happened at the meeting or who voted. According to the Band, McDougall promised that the sacred dances would be permitted as a result of the surrender.

Commissioner Laird took his third surrender in August at Thunderchild, in the Battleford Agency, assisted by Agent George Day. The proposal for surrender had originally been negotiated by Father Delmas; like McDougall, Delmas had the Band submit a petition for a surrender, with the terms he had already negotiated with them. The surrender itself was taken after repeated meetings within a few days, with the active persuasion of the local missionary and with cash on the table. Chief Thunderchild was himself the tie breaker. With this surrender, the Band gave up its entire reserve and was moved to its present location north of the original site. It was to buy its new reserve with the proceeds from the sale. This particular variation was unprecedented in the West but was to be repeated with Moosomin a year later.

There was a second surrender at Enoch on May 13. Fourteen voters approved the surrender of 10 sections, and 12 opposed, according to Inspector J.A. Markle, who took the surrender. In the terms of the surrender, the land was to be sold at a minimum value of \$16 per acre, and money was to be spent on implements, buildings, and livestock; annual interest on remaining capital was to be distributed in the form of rations (NA, RG 10, vol. 3563, file 82/14). As in the Peigan surrender a year later, Markle used a voting poll procedure in the surrender.

The Department of Justice, in the person of Deputy Minister Newcombe, ruled in January 1908 that, in spite of the wording of the affidavit that “the chiefs and principal men” should certify the surrender, the section was only directory and the signature of one principal man was enough (NA, RG 13, A 3, vol. 143, p. 191, memo of January 10, 1908).

### **Surrender Sales**

On March 9, 1908, Oliver said in the House, in response to a question from Mr Armstrong, that from 1896 to March 1907, 620,434 acres of reserve lands were sold, realizing \$1,525,567. This price made an average of just under \$2.50 an acre (House of Commons, *Debates*, March 9, 1908, 4586).

On April 16, Order in Council 852/1908 was passed to amend the Land Regulations. Instead of 6 per cent interest being charged on each instalment of purchase money as it fell due, interest of 5 per cent would be charged on sales made after May 1, 1908, on the unpaid balance of the purchase

money. Since December 1906, the interest rate for sales in the Prairie Provinces had already been reduced to 5 per cent, to be collected on instalments.

In response to a question about how the Swan Lake reserve lands would be sold, should a surrender be taken, Oliver said that the policy of the Department was to advertise a month or two before the sale in the leading papers of the “capital” and in local papers. R.S. Lake of Qu’Appelle recommended changes in the advertisements. He had noted that advertisements were placed only in papers on the patronage list, and this restriction prevented sufficient local advertising. The Pasqua sale had been poorly advertised, as Inspector Graham admitted. The same was true of the Moose Mountain lands. Notice of the sale appeared in the paper closest to the site, the *Moosomin Spectator*, on November 17, for a November 15 sale by tender that required tenders to be sent to Ottawa (House of Commons, *Debates*, July 11, 1908, 12730-31).

W.H. Bennett questioned the auctioning of timber limits. The usual fee for auctioneers was \$100 per day, yet the auctioneers at Indian timber [and land ] sales were getting \$200 per day. These costs were paid out of the 10 per cent management fees. Peter Ryan was one of the auctioneers who were getting percentages that yielded far in excess of usual fees (House of Commons, *Debates*, July 11, 1908, 12731-33).

Joseph Armstrong again pointed out on July 11 that some 650,000 acres had been sold and had brought in only \$15,000 in revenue, a very low average price. Of this acreage, 500,000 acres had been sold privately at upset prices. Armstrong alleged that the Indians were being cheated and that he had received letters from numbers of prominent citizens asking that lands be put at auction. Oliver replied that much of this land was not worth more than that (House of Commons, *Debates*, July 11, 1908, 12748-50).

On July 15 the MP for West Algoma, A.C. Boyce, described in detail a transaction in Indian Lands to which Clifford Sifton and his friends were a party and from which Sifton may have benefited during the time he was Superintendent General of Indian Affairs:

The first application for the surrendered Indian lands, in the Algoma district of Northern Ontario, came in 1899 from A.H. Gale, Oxford, England, c/o W.F. Wilson of Brandon. The following year Wilson himself applied for a lesser amount. Wilson and Gale were partners, and Wilson later asserted that they had been advised by Sifton to put the application through in Gale’s, not Wilson’s, name in the first instance.

Wilson applied for the land on the condition that he harvest timber and put a saw mill on the property.

The valuations were made by a friend of the purchaser, on Departmental approval, and were considerably less than true value, which was also known to the Department when the sale was made on the lower terms.

The same valuator, the friend of the purchaser, was also asked by the purchaser to get a petition from local settlers in support of the application.

The land was sold at 34 cents an acre, with rights for pine, spruce and minerals reserved.

The conditions of sale required erecting a sawmill, employing Indian labour, and putting settlers on the land. After the sale the purchasers tried to get out of these conditions, on the basis that they interfered with profit, while at the same time negotiating a sale of the lands to an American firm under W. S. Johnson of Chicago.

Soon after Sifton resigned, the purchaser put a great push on the Department to have patent issued. The sale to the Americans took place before patent was issued.

Frank Oliver allowed the purchase to go through without interest being charged, since the purchasers did not have full use of the property. The full purchase price was not paid, in six years of delay, but patent was issued anyway.

The resale of land to the Americans netted a profit of \$91,812 over the \$9017 paid to the Department for the lands. No timber was removed.

The patent was issued in the name of Sifton's law partner, A.E. Philp, as well as two Liberal supporters from Brandon, W.F. Wilson and D.A. Reesor.

The Leader of the Opposition, Robert Borden, argued that the Department had clearly failed to act in the interests of the Indians for whom it is trustee. Had the land been sold at auction, the Indians could have realized much higher prices. Oliver defended the government against the charges by saying it could not be established that Sifton was involved with the original purchasers, nor that the land was worth more than it was sold for (House of Commons, *Debates*, July 15, 1908, 13095-138). Sifton would later write to Philp to say he had been out of the country when the scheme was concocted and had no idea why he was implicated (NA, Sifton Papers, MG 27, vol. 297).

In 1908, W.M. Alexander of Calgary, who had previously asked Sifton to get a surrender of land at Horseshoe Falls, Alberta, from the Stonies so he could get a franchise to build a power station, asked Sifton if he would put up \$10,000 to pay the government for 1000 acres of land up for auction at Horseshoe Falls. Sifton replied on February 13, 1909, "I would not care to be mixed up in any purchase of Government or Indian lands" (NA, Sifton Papers, MG 27, vol. 297).

A sale of townsite lots at The Pas was made by auction in June; some of the unsold lots were sold by the Department on an individual basis, and others were returned to reserve status. One of the

buyers was Herman Finger, who acquired land at other Indian land sales and who operated the Finger Lumber Company at The Pas.

A sale of Cote lands was held in Kamsack in June; the sale was administered by Inspector Graham. Not all the land sold, and Agent Blewett was authorized to sell the remainder. Sales averaged \$10 per acre, hovering around the price estimated in the surrender. The sale was exempted from the Land Regulations. Herbert Awrey, the Department clerk who acquired lands from the Michel 1903 surrender, bought lands. Blewett did not purchase directly, but was part of the Kamsack Land Company, which acquired land through purchases by other directors, including the principal of the Crowstand School, the Reverend McWhinney. Dr E.L. Cash, who worked for the Department as a medical attendant, was not a purchaser, but he engineered some sales on behalf of his friends. Finger bought land here as well, giving his address as Port Arthur, Ontario.

The Crooked Lakes land sale was held in November 1908 at Broadview. By the time of this sale, the Department had started a policy of requiring buyers to place a \$100 deposit, or the down payment, if less than \$100, as a security to hold a sale. Sale prices at an average of \$7.18 per acre were just above the upset value. A second sale in June 1910 disposed of the remainder of unsold lands, although some sales would later be cancelled and the land returned to reserve status. Four Department employees bought land: Matthew Millar, the agent; H. Cameron, the interpreter; Alice Tye, Inspector Graham's secretary; and clerk Herbert Awrey, who had previously purchased at two other sales. An American-based company, the Western Canada Colonization Company, also acquired lands at this sale. Finger bought land, as did Judge Brown of Moosomin, Saskatchewan, a Liberal.

A second sale of Grizzly Bear's Head/Lean Man lands was held in November 1908, and the sale in Battleford was poorly attended. The land sold to speculators.

The St Peter's auction was held in December. There was a good attendance, but poor bidding, as only 20 of 100 people attending bid on land. Much of the land went to speculators and sold at just over \$5 per acre on average.

## **THE YEAR 1909**

### **Western Development**

With the recession of 1907-08 in abeyance, the price of grain began to rise in 1909 to \$1.09 a bushel for no. 1 grade wheat, sold at Winnipeg. It would remain high for the next three years (Morton 1939, 125). Land values and the number of realtors and speculators also rose, particularly in the cities, led by Winnipeg.

Hudson's Bay Company lands sold at an average of \$11.30 per acre. CPR lands sold at \$13 per acre. Qu'Appelle, Long Lake, and Saskatchewan Railway lands in Saskatchewan sold at an average price of \$13.75 per acre, and Calgary and Edmonton Railway lands in Alberta sold at about \$10 per acre on average. The volume of sales was very low in this year, and would rise in 1910 and 1911 (Martin 1938, 306-07).

School lands sold in Manitoba at an average of \$9.63 per acre; in Saskatchewan, at \$15.95 per acre; and in Alberta, at \$12.11 per acre (Martin 1938, 341-43).

Later, Oliver assessed the average price for land on the prairies during this year to have been \$11.08 per acre (House of Commons, *Debates*, April 14, 1915).

The increasing congruence among the value of the school lands, HBC lands, and railway lands shows that demand was stabilizing and that homestead lands in the railway belt were, for the most part, occupied.

The Western Canada Colonization Company moved into Winnipeg from St Paul and began to buy, among other properties, Indian reserve lands in Saskatchewan.

### **Railways**

CNOR began branch line construction from Saskatoon to Kindersley; the line reached as far as Rosetown in 1909 (Regehr 1976, 207).

The CPR concentrated on building small branch lines in Alberta.

The Grand Trunk Pacific Branch Lines Company began to build a line from Melville to Regina. By 1911 it would extend to Moose Jaw.

### Indian Department Organization and Policies

An exchange between R.S. Lake and Frank Oliver on February 12, 1909, revealed some of the accounting practices in the Department:

If an Indian makes an order from a merchant, and the money passes through the agent, then the government is obliged to make good the payment. If the Indian uses his own money, there are no protections for the merchants.

The agent cannot take annuity money for the payment of debts, but can take money earned from sale of produce or wage labour.

The agent cannot use money earmarked for per capita distributions from land sales to pay individual debts without the permission of the Indian. (House of Commons, *Debates*, February 12, 1909, 1002-04)

The issue of the purchase of cattle arose in the House on February 12. Mr Roche noted that Robert Logan, agent at Portage, was (according to the 1908 *Annual Report*) selling stock to the Department (House of Commons, *Debates*, February 12, 1909, 1006). He asked if it was true that Assistant Commissioner McKenna was about to be replaced by Samuel Jackson, ex-member for Selkirk. Oliver replied that the Commissioner's Office was going to be abolished and the staff employed elsewhere (House of Commons, *Debates*, February 12, 1909, 1016).

On January 5, 1909, Oliver sent a memorandum to the Governor General in Council requesting the closure of the Commissioner's Office in Winnipeg. He cited diminished authority and usefulness as reasons. Instead, the system of inspectorates would be revised and possibly enlarged. Commissioner Laird would be transferred to Ottawa to work in an advisory capacity, and Assistant Commissioner McKenna would be appointed Inspector for Roman Catholic schools. John Semmens would be given the North Lake Winnipeg Inspectorate, and S. Swinford would have the South Lake Winnipeg Inspectorate (NA, RG 10, vol. 3877, file 91839-1). A number of employees also received salary increases in 1909.

Later that year, however, as Semmens and Swinford found themselves with overlapping roles, Swinford was given the position of Inspector of Accounts. One purpose of this reorganization was to free the other inspectors from auditing accounts so they would have more time to tend to the agricultural industry (NA, RG 10, vol. 3877, file 91839-1).



### **Departmental Circulars** (signed by Pedley or McLean)

- February 23: Pedley tells agents that they should refrain from securing outside influence in favour of reversing the decision of the Department on matters pertaining to its administration. Agents no longer have to provide security bonds.
- The office of the Indian Commissioner is abolished as of 19 February.
- Any agent who does not respond quickly to departmental correspondence is liable to dismissal.
- Regulations for the care of bulls should be followed; bulls are dying of neglect, and the Department is spending a lot of money on thoroughbred stock.
- Full agricultural returns of land ploughed and seeded should be kept for individual Indians.
- Return to be made of all items and supplies taken from the departmental warehouse.
- Agency grounds should be kept neat and clean (NA, RG 10, vol. 3086, file 27922-1).

### **Surrender Demands**

Mr C.A. Magrath of Medicine Hat raised the question in the House of Commons of the surrender of the Blood reserve. He suggested that Oliver himself should be dealing with the Indians, not relying on his agents:

I do not believe in taking advantage of the Indian, and I do not believe anybody in Canada wishes to do so. But there is the settler starving for land; there is the Indian without the means of occupying more than probably one-third of his land; he is dying off, and as time goes on, unless we can get the Indian to see some of his land, he will disappear without having received any benefit from his property and it will revert to the government. (House of Commons, *Debates*, February 12, 1909, 1007)

Magrath and John Herron also asked for surrenders of the Blackfoot and Peigan reserves. In response, Oliver said that these Indians were all difficult to deal with and were under the influence of men who were opposed to surrenders. Magrath wrote to Pedley on March 2, 1909, saying that the people of Gleichen wanted the Blackfoot reserve opened to settlement (NA, RG 10, vol. 3702, file 17537-3).

Agent Borthwick placed a value of \$12 per acre on a right of way through Mistawasis, as a prelude to surrender.

### **Surrender Practice**

Oliver, in response to George Bradbury's criticisms of the St Peter's surrender, and in conjunction with Magrath's suggestion of using every means possible to get a surrender of the Blood reserves, stated:

A few minutes ago the hon. member representing Medicine Hat voiced the opinion, and voiced it very well, that the department should use every endeavour to secure the surrender of a certain reserve or parts of two certain reserves. Now my hon. friend from Selkirk in whose district the department was successful in securing a surrender last year, complains strongly of the method and of the results of the surrender. (House of Commons, *Debates*, February 12, 1909, 1019)

Oliver went on to say that the Department had gone to extraordinary lengths to get the surrender so that the land could be turned to beneficial use. Bradbury then said that the surrender at St Peter's was a good idea, regardless of methods, but that in allowing speculation, instead of encouraging sales to settlers, the land was being wasted (House of Commons, *Debates*, February 12, 1909, 1019-21).

The year 1909 was one in which the pace of surrenders accelerated. Early in the year, on a cold January day, a surrender was taken by Inspector Graham at Muscowpetung in the Qu'Appelle Agency of Saskatchewan. Graham had taken a surrender from their neighbours at Pasqua in 1906 and had received refusals from Muscowpetung for the same requests. The outside demand continued, perhaps because the building of the GTP line, which had been promised at the taking of the Pasqua reserve, was finally in process. The farming population at Muscowpetung was aging, and the Department saw this as a good reason to seek a surrender once more. Moreover, one band member had contacted the Department with a view to selling some of the land at \$25 per acre.

During these protracted negotiations, Graham left the Commissioner's Office out of the communications. He did keep in touch with the Band, however, and, when he sensed that some band members would surrender, he recommended, and was authorized to take, a surrender of the "best half" of the reserve. When he took the surrender on January 4, Graham reported little about the

meeting; it is not known how many people were in attendance. Ten men signed the surrender document, and 18 received the 10 per cent per capita payment. Graham employed his standard terms in the surrender: a per capita distribution at the outset, another a year later, annual interest distributions, funding of payments for children aged 12 to 18, sale of land by auction, and payment for improvements. A clause providing for sales at a minimum of \$8 per acre was struck off the agreement before the meeting at Graham's request. Graham tended to be uneasy about setting a minimum sales value.

Graham went from the Qu'Appelle to the Pelly Agency and began negotiations with the Key and Keeseekoose Bands there. In both cases he persuaded them to surrender more land than they had been willing to consider. He accepted a request from Key for a \$100 per capita payment. As Graham obtained authorization for the surrenders from Headquarters, Commissioner Laird was once again being bypassed and was at the same time telling a Keeseekoose headman that there was no intention of taking a surrender. The surrenders were taken in May, with again no record of what was discussed. The people of Keeseekoose received \$85 per person, and the Key people, \$100 per person. Graham also took cash to pay for improvements. He reported that the votes from both bands were unanimous, although clearly not all voters signed the surrender documents. The terms were much the same as at Muscowpetung. Only the Keeseekoose people received reimbursement for improvements. The Key people were to be able to spend capital for livestock and farm equipment.

Graham was not involved in the twin Moosomin and Thunderchild surrenders. Agent J.P.G. or George Day had taken the Grizzly Bear's Head/Lean Man surrender, and he assisted in taking a surrender at Thunderchild in 1908 along with Commissioner Laird. Laird had taken the same proposal to Moosomin in 1908, but it was rejected. Day was reprimanded for this failure. The Band made a proposal in January 1909, after meetings with Day, for a land surrender with a minimum sales value of \$12 per acre and a per capita distribution over 50 per cent, but it met with rejection from the Department. Nonetheless, Day was authorized to take a surrender, on lesser terms, and the Department went ahead with plans to choose a new site and subdivide the old reserve before the surrender was taken. There was no chief at the time of the surrender in May, but Josie Moosomin would become chief within a few months. There is no record of a meeting for the surrender and no evidence that it occurred. There was, however, a per capita distribution. The surrender provided for

some farm equipment and for the purchase of a new reserve site from the proceeds of sale as had happened at Thunderchild.

The Reverend John McDougall had been sent to the Hobbema Agency in 1906 to obtain surrenders from some of the bands there and to overcome opposition to surrenders. As usual, he had the Samson Band submit a proposal to surrender containing the terms he suggested, including a \$10 per acre minimum price (McDougall's standard figure), his continued employment, and more control over their own affairs (such as he would promise at Swan Lake in 1908). Oliver refused these terms, and McDougall continued to negotiate, resulting in another "proposal" from the Band in 1908. Samson and his Band agreed to a surrender in January 1909, with the maximum 50 per cent distribution of proceeds permitted by law, the majority of which would be paid after sales. Meanwhile, negotiations were proceeding on a surrender of the Bobtail reserve occupied by the Montana Band. On June 12, McDougall took a surrender from those former Bobtail members on other reserves, and he did not consult the Montana people. As a result, the Montana Band got part of the reserve, as did Samson, and the rest was surrendered for sale. Proceeds from the sales went to Samson and Ermineskin, on behalf of the former Bobtail members living there. It is worth noting that, whereas McDougall was empowered in previous instances only to negotiate the terms, in these cases he actually took the surrenders, essentially replacing Inspector Markle in this role, as Markle had not been successful. The surrenders contained some per capita distributions, with annual interest payments.

A surrender was taken from the Louis Bull Band at Hobbema Agency a month later, in July 1909.

Inspector Markle in Alberta was more successful in taking the surrender of part of the Peigan reserve in 1909. He began to meet with the Band in 1908 about a surrender of part of the reserve land cut off by the CPR line. The Band was opposed, but was interested in buying more livestock and farm equipment; Markle informed them that the only way of getting this equipment was via a surrender. He continued to meet with the Band, and when they began to consider selling some land to buy equipment and guarantee rations, he told them that more land was needed to meet their demands. In 1909 he negotiated terms, then asked for authorization to take a surrender on the basis that land in the area was selling for \$20 per acre. He was authorized to set the minimum price per acre at only

\$10, however, and, given a limit on authorized expenditures from capital, to buy farm equipment. The Department suggested using interest money to buy rations for the Band, as requested, because this would relieve it of an existing expense.

Markle held three meetings between July 15 and August 18; on the first two occasions, the proposal was rejected. At the third meeting a local lawyer was there representing the older chiefs, and the proposal changed; the Band was asked to surrender less valuable land on the west side of the reserve, and no rations were promised. Markle's suggestions were authorized, taken to the Band, and agreed to. In this surrender, the Band could get a 10 per cent first payment to buy outfits. Markle later said that he had urged the Band to sell more land to get a larger sum, rather than recommending a larger payment. There was no per capita distribution. Apparently, the lawyer was barred from the last vote. The chiefs did not vote; 40 voters agreed, and 10 disagreed, out of a voting population more than twice as large as this total. There would be controversy for years about the legitimacy of the vote, and whether there was undue pressure. Markle would defend his actions, recruiting more voters by declaration, and the lawyer would agitate to have the surrender rendered invalid, with the support of the older Chiefs. Surveyor J.K. McLean, who would subdivide the surrendered lands, was a witness to the meeting and the vote. In the course of defending himself, Markle stated that he believed that the Peigan surrender would be a model for future surrenders in Alberta.

### **Surrender Sales**

In December 1909, an Order in Council was passed to amend the land sales policy of the Department:

In a number of cases when land was surrendered by the Indians of the Provinces of Saskatchewan and Alberta the officers acting for the Department understood that the whole of the interest, both that upon deferred land payments and that accruing from deposits with the Government, would be available for current purposes. . . . It would seem that the advancement of the Indians in the newer provinces would be promoted by allowing all the interest accruing on Indian funds to be treated as interest and to become available for general expenditure. The price at which the Indian land is being now sold is higher than in the early days of settlement in Canada, so that considerable capital is ensured to the descendants of the present Indians. . . . It is therefore recommended that in future the interest on deferred Indian land payments throughout the Dominion be credited to the Interest Account of the Indian owners and that this regulation may be made retroactive in cases where it seems beneficial to do so. (NA,

RG 10, vol. 6814, files 481-1-35/2, memorandum from Frank Oliver, December 1, 1909)

With this memorandum and the accompanying OCPC, the interest paid by buyers on the balance of the purchase price was being paid to the bands directly, where the surrender agreements allowed for it, rather than being put into the capital accounts.

In June 1909, the Leech Lake/Little Bone lands were put up for sale at Yorkton; J.L. Reid's upset values were \$8 to \$11 per acre. The land was to be sold without reference to the Department's land regulations. William Graham was in charge of the auction, and only one-third of the land sold, at an average of \$10.43 per acre.

The Fishing Lake lands were also put up at auction in June. Very little of the land sold, and Graham complained that the upset prices were too high. The average price per acre of the land that was sold was \$13.12 per acre.

Another June sale in Manitoba put Swan Lake lands on the market. The land sold on average for \$17.70 per acre, well above the \$10 minimum specified in the surrender document.

The third sale of the Grizzly Bear's Head/Lean Man lands was held in June. George Walton was auctioneer, but there were no bidders. An auction was also held for the Tramping Lake lands held in Saskatchewan for the Manitoba Band, but no lands sold.

There was an October sale of the Muscowpetung lands, which sold for an average of \$9.16 per acre. No exemption from the Land Regulations was specified in the Order in Council accepting the surrender, so presumably the regulations were to be in effect. The largest block of land went to James Wallis and the Western Canada Colonization Company. William Murison, Indian Agent at Touchwood, Simon McLean of the Board of Railway Commissioners, and Reginald Rimmer, former law clerk for the Department, all bought land. Howard Tye, brother of William Graham's secretary, also bought land, as did the brother of the well-known Fort Qu'Appelle businessman D.H. McDonald.

In November, the Hobbema Band lands were put up for sale, including Samson and Bobtail. Not all the land sold, but the land purchased brought an average of \$13.53 per acre. Most of the buyers were local, but F.W. Grant and W.E. Preston of Midland, Ontario, both avid speculators in Indian lands, did make purchases. Inspector Markle asked permission to acquire an interest in two quarters sold at auction, but the aftermath of the request was not kept on file.

There was a sale of Thunderchild and Moosomin lands in November which were exempted from the Land Regulations. Some of the land remained unsold, but the land that did sell went for an average of \$8.75 per acre. Much of it went to Americans and to speculators, including Judge Brown of Moosomin, Saskatchewan, Judge Lamont of Regina, and F.W. Grant of Midland. There is evidence of a meeting held before the sale by some of the speculators, in which it was determined who would buy which lands. It is also possible, from the record, that Wilbur Bennett and S.S. Simpson, active at the Grizzly Bear's Head/Lean Man sales, were part of this group, but they did not buy.

The sale of the Peigan lands was also held in late November, having been moved forward from an original December date. This sale, too, was exempted from the Land Regulations. George Walton, Sifton's friend from Emerson, Manitoba, was auctioneer. About half the land sold, at an average of \$16 per acre. Although there was a \$10 per acre minimum specified in the surrender document, some quarters were valued by the surveyor at less than this price. J.D. Lafferty, who worked as a medical attendant for the Department, was among the buyers; he had a partner from Great Britain. Most of the buyers were from Calgary or southern Alberta, and there were some small syndicates in operation at the sales.

## **THE YEAR 1910**

### **Western Development**

The volume of land sales increased in 1910 for most companies, and weather and grain prices improved. The Hudson's Bay Company quadrupled its volume from the preceding year, at an average price per acre of \$12.43. CPR land sales also increased 22-fold, at an average price per acre of almost \$16. The volume of sales in Saskatchewan for the Qu'Appelle, Long Lake, and Saskatchewan Railway increased, and the average price per acre was down to about \$9.50. The Calgary and Edmonton Railway was selling land in Alberta at a comparable value, as was CNOR (Martin 1938, 306-07).

School lands sold in Manitoba at an average price of \$23.03 per acre, although the amount sold was small; in Saskatchewan they sold at \$15.00 per acre, and the number of acres sold exceeded

any other year in this period. In Alberta, the average price was \$14.48 per acre (Martin 1938, 341-43).

Later, Oliver estimated the average price per acre for land in 1910 to have been \$13.36 (House of Commons, *Debates*, April 14, 1915).

The number of homestead entries continued to show growth, reaching 41,291 (Martin 1938, 430).

### **Railways**

CNOR expanded a branch line from Rosetown to Kindersley. It also completed the line from Hudson Bay to The Pas. A short line was built from Russell, Manitoba, to Caldera, and from Dolmen to Laird in Saskatchewan. Prince Albert was linked to Shellbrook.

The CPR expanded its branch lines in Saskatchewan, including a Swift Current line to link that city to outlying areas.

## **Indian Affairs Organization and Policies**

### **Departmental Circulars**

- Indian herds should be kept at a 10-head minimum; animals sold should be replaced.
- Indians should not be allowed to sell herds to pay debts; no animals under three years of age are to be killed or sold.
- S. Swinford has been appointed Inspector for Indian Agency Accounts, to audit all the books of agencies and inspectorates.
- Supplies should be bought at the lowest prices from recognized leading local merchants.
- Farming instructors should verify agricultural returns; a memorandum has been distributed detailing the duties of instructors.
- Drug price lists have been prepared for the purchase of medicines; they list the maximum price the Department will pay.
- All accounts should have proper authority and be adequately explained (NA, RG 10, vol. 3086, file 279222-1).



### **Surrender Demands**

Surrender demands in the House:

- Long Plain reserve, Manitoba
- The remainder of the Swan Lake reserve
- The Blood reserve

John Herron, MP, wrote to the Department asking for a surrender of the Peigan reserve.

### **Surrender Practice**

Mr Staples asked Oliver in the House on April 22 if efforts were being made to take a surrender of the remainder of the Swan Lake reserve. Oliver said he did not think it was wise to go back immediately, but to wait until the Departments “cleaned up” the previous surrender arrangement. He was prepared to go back, however (House of Commons, *Debates*, April 10, 1910, 7851).

Mr C.A. Magrath, MP for Medicine Hat, asked Oliver in the House on April 22 if it would not be better for the Indians if the lands were leased, rather than surrendered. For example, a long-term lease at 6 per cent of a given sale price could be offered, bringing in yearly revenue. The land would be retained by the Indians as security. Magrath said that this method was being used by the CPR. Oliver replied:

The idea of a tenant proprietorship in the Northwest does not appeal to me. The policy of the government is to have a population on the land who shall be the owners in fee simple of that land, and any proposal, no matter how attractive, that would involve tenancy rather than proprietorship, viewed from the standpoint of the best interests of Canada and the west, would not appeal to me. (House of Commons, *Debates*, April 22, 1910, 7855-56)

In June 1910 a surrender was taken from the Blackfoot/Siksika IR 146 after three years of discussions. Inspector Markle took the surrender, using the same method as at the Peigan surrender, in spite of the problems he had experienced there: informal meetings with the chiefs, a brief explanation the day of the vote, followed by the open poll for voting. The terms he “negotiated” were very similar to those he recommended to the Department. The one demand the Band consistently made was for rations, and the Department proposed paying for these out of interest accrued. Markle refused to consider cash distributions, but did endorse the rations distribution over departmental

objections. Markle's terms depended on sales at \$14 per acre. The surrender document specified that the terms would be met if and when the proceeds from sales allowed. The vote carried by a margin of five: 69 for and 64 against. Markle conceded that there were absentees. The document also provided for the interest on deferred payments to go to the Band's interest account, reflecting a recent policy change.

### **Surrender Sales**

There was extensive debate between Mr Armstrong and Mr Conmee in the House in April 10 about whether the sales of surrendered land were in the interests of the Indians. Armstrong asserted that the lands were being undersold by the Indian Department, whereas Conmee argued that the dealings of the Department were businesslike and straightforward. The Indians were better off having sold their lands, and most sales had been at market prices. Conmee defended the transactions at St Peter's as having been in the public interest and, ultimately, in the interest of the Indians themselves (House of Commons, *Debates*, April 22, 1910, 7839-44).

Pedley issued a notice on January 24, 1910, as follows:

Notice is hereby given that no Officer of this Department, or his Wife, or any one dependent upon him shall directly, or indirectly, purchase any Indian land or become proprietor of, or interested in, any such land, and every such purchase or interest shall be void, the Sale cancelled, and the Officer liable to dismissal. (NA, RG 10, vol. 3086, file 279222-1)

A request from the Deputy Superintendent General to Mr Orr on April 30, 1912, for the date when the Department first started giving out upset prices yielded the answer that this practice began in March 1910 (NA, RG 10, vol. 4046, file 253647).

In January 1910, another change in the Land Regulations was made by Order in Council. This change echoed the promise made by Marlatt at Roseau River: that the interest from sales would be placed in the band's interest account for distribution, rather than being placed in the capital account. This Order in Council stated that several bands in Saskatchewan and Alberta had been told they would receive interest. In addition, the paying of the interest moneys from sales to the band's interest account would allow more immediate expenditures on farming operations, and "by utilizing available Indian funds parliamentary appropriation will be reasonably curtailed." The Order in Council deemed

that in the future all interest moneys on deferred payments should be placed in the bands' interest accounts, and that this provision could be applied retroactively where "it seems beneficial to do so" (OCPC 114/1910).

A fourth sale of the Grizzly Bear's Head/Lean Man lands surrendered in 1905 was held in conjunction with an auction of Thunderchild and Moosomin lands in June 1910. The land sold at an average of \$3.87 per acre. The Tramping Lake lands held by the Swan Lake Band in Manitoba were also offered for sale and sold well. The Luse Land Company bought land, as did the Speers family of North Battleford, which had been involved in the Grizzly Bear's Head/Lean Man sales all along.

A second sale of Crooked Lakes land was held in June, and all remaining lands were sold. A second sale of the Fishing Lakes land was also held in June. The Kylemore townsite was exempted from sale, and almost all the land (excepting one quarter) was bought by a Winnipeg-based syndicate. The buyer on behalf of the syndicate, whose members are unknown, was D.H. Hudson. He then sold to two men from Chicago, who started up the Fishing Lake Farm and Land Company. The land was sold again to the Doukhobors. Some of the townsite lots were sold at auction in Wadena in December 1910.

A second sale of Hobbema lands was held in June, and once again some land remained unsold.

A second sale of Peigan lands was held on June 1, but not all the land sold.

There was an auction in December at Kamsack to sell the lands surrendered by Key and Keeseekoose. Upset prices were sent out in advance of the sale at Inspector Graham's request. The majority of the land sold, although little was reported about the sales. Some local businessmen were purchasers, as were bankers Alloway and Champion of Winnipeg, staff of the Field Museum of Natural History in Chicago, and a number of North-West Mounted Police officers. William Frank, the same realtor who was active in St Peter's purchases, bought a block of land, which he later had difficulty paying for.

## **THE YEAR 1911**

### **Western Development**

Hudson's Bay Company sales volumes remained high, a reflection of better crop years, and the land sold at an average value of \$14 per acre. CPR sales were also high, as were the prices at \$14.50 per acre on average. The Qu'Appelle, Long Lake, and Saskatchewan Railway peaked in sales, the highest

since 1903, at an average price per acre of \$10.90. The Calgary and Edmonton Railway sold lands at \$9.80 per acre on average, and CNOR sold lands at \$12 per acre on average (Martin 1938, 306-07).

School lands sold in Manitoba at an average price of \$20.73 per acre; in Saskatchewan, at \$31.92 per acre; and in Alberta, at \$46.83 per acre. The volume of sales was much smaller than for the other companies (Martin 1938, 341-43).

Later, Oliver estimated the average price per acre for 1911 to have been \$13.59 (House of Commons, *Debates*, April 14, 1915). He pointed out, accurately, that prices dropped after that year.

By 1911, the population of Saskatchewan was 492,000, five times more than the population of 1901. The Manitoba population was comparable at 461,000; it had doubled since 1901. In Alberta, the population had risen from only 73,000 in 1901 to 374,000 in 1911 (Macdonald 1966, 287).

In 1911, the number of homestead entries in the Prairie Provinces hit a peak of 44,273 and began to diminish. By the time of the Great War, the number was only about 8000. The free land was disappearing except in areas remote from a rail line. The cancellation rate for homesteads between 1911 and 1931 was 57 per cent, indicative of the wavering conditions and grain prices (Martin 1938, 409, 430).

When the slump hit in 1913, the majority of immigrants were settling in cities rather than on farms. The railways had crossed the prairies and were already in financial distress as they faced the task of building across the western mountains (Berton 1984, 341). There was a boom during the war, and then grain prices fell in 1920. The economic struggles during these years had a tremendous impact on the collapse of land companies and on the failure of many buyers of Indian lands to make their payments.

### **Railways**

CNOR continued to construct branch lines. The Kindersley line reached Alsask on the border, but the complete line to Calgary would not be built until 1914. The Shellbrook line extended west from Prince Albert then to Blaine Lake, while another line was built from Shellbrook to Big River. A branch was built in Saskatchewan between Pelly and Preeceville, and from North Battleford to Edam. A line ran from Carlyle to Bengough, and another from Delisle to Macrorie. In Manitoba, a line extended from Oak Point to Gypsumville (Regehr 1976, 207-08).

The Grand Trunk Pacific's Melville–Moose Jaw line opened, as did a branch line north to Canora. In the next few years, lines would extend from Moose Jaw northwest to Riverhurst, Saskatchewan; from Prince Albert south to Young, Saskatchewan; from Biggar west to Loverna; and from Regina to Northgate (in the southwest corner of the province). In Alberta, a line was built from Calgary to Tofield between 1911 and 1913 (Stevens 1962, 198).

## **Indian Affairs Organization and Policies**

### **Departmental Circulars**

- Please refrain from entering Indians in exhibitions; those involved in dances, pageants, and exhibitions neglect their work and tend to get debauched.
- Do not assist any white men in collecting debts – collectors are not to be present at annuity time; special permission must be obtained for debts to be paid against annuities.
- No negotiations are to take place with Indians without authority.
- When cattle are sold, they should be sold to the highest bidder, and the matter fully reported, including how the proceeds are to be used.
- Livestock returns are to be made promptly.
- All agents are to keep diaries showing each working day, as should clerks and instructors.
- The policy of the Department to discourage dancing is still in place (NA, RG 10, vol. 3086, file 279222-1).

William Graham secured an agreement from the Peepeekesis reserve in Saskatchewan, site of the famous File Hills colony, for departmental control over band admissions and land allocations for colonists. Band members were paid \$20 each to allow the department to admit new colonists and to give them land. This expenditure was recaptured by the Department in entrance fees for new admissions to the colony. Graham actually held two votes, one on July 24 in which the result was negative, and a second on July 29 in which it was positive. It was later alleged by the Peepeekesis Band, in the 1950s, that Graham quite literally put the money on the table, and this temptation swayed the original vote to one in favour of the deal. He had also sent people out during the five-day interval to talk to band members, and the second vote took place just before the Regina Exhibition, when the need for cash was alluring.

### **Surrender Practice**

On February 22, a surrender was taken at Mistawasis in Saskatchewan by Agent Thomas Borthwick as a way of paying for fencing and agricultural equipment. Borthwick and Pedley had worked out the terms in advance, and Pedley provided detailed instructions on how to gain consent and to present the agreement. The Band approved the surrender after initially dissenting, but it demanded a \$15 per acre sales price minimum and a 50 per cent cash distribution. The Department rejected these terms and sent Borthwick back to the Band. A second surrender was taken on March 20, with no minimum price specified and no cash distribution. Half the proceeds would be used for fencing and equipment, and half placed in a capital account for regular interest distributions. As soon as Borthwick submitted the document, he recommended changing the terms, having the Agency, rather than the Band, purchase some of the equipment, and requiring the Indians who used the equipment to pay a user fee. This suggestion was also approved.

In 1911, Louis O'Soup and other older men from Cowessess began a movement to complain about Indian policy in general and the poor record in implementing the terms of Treaty 4. They met with representatives of Piapot, Cote, Kahkewistahaw, and Roseau River, and went to Ottawa, carrying written complaints from Ochapowace, White Bear, and Leech Lake (Little Bone). They met with Minister Frank Oliver and presented their grievances. The Little Bone letter said that they were not being paid for land they had surrendered, and that William Graham had told them at the time of surrender that they would be forced off the reserve if they did not sell. The Kahkewistahaw representative argued that Graham had told them they would be able to make a living on the land remaining to them after surrender, and this was clearly not true.

The Roseau River Band member said that their land had been sold for less than was promised; Cote also complained about non-fulfilment of treaty terms. White Bear stated that they would refuse any future pressures to part with land. Ochapowace, Piapot, Kahkewistahaw, and White Bear noted that they were not being allowed to elect chiefs and headmen. The Crooked Lakes Bands said that their agent, Matthew Millar, was collecting debts on reserve on behalf of local whites. Collectively, there were many other issues about Indian policy and practice that were brought to Oliver's attention, such as education curricula (where there was too much emphasis on farming), imposition of game laws, the power of agents to issue hay permits, restrictions on produce sales, customs duties, and prohibition of dances. Oliver made some small concessions, but basically defended the right of the

Department to supersede treaty terms with law and policy. Apparently, no promises were made to address the terms of existing surrenders (Tyler nd(a), 133-40).

In 1911, the *Indian Act* was amended to allow the Dominion to take reserve land without consent where the reserve was in or near a town of over 8000 people, or where the land was needed for public purposes.

In 1912, the majority ruling of the Manitoba Royal Commission on the St Peter's surrender was delivered. It stated that surrenders required a majority of all qualified voters, not just those at a meeting. In 1914, a circular was sent to all agents outlining a new, revised practice for taking a surrender (see Chapter 5). The new requirements are summarized here:

- A proposal for surrender and a rationale must be preapproved by the Department.
- “The officer taking the proposal to the band must be duly authorized by the Superintendent General or his deputy, and shall make a voters list of all the male members of the band of the full age of 21 years who habitually reside on or near the reserve and are interested in the reserve in question.”
- “The meeting or council for consideration of surrender must be summoned according to the rules of the band, which, unless otherwise provided, must involve the posting of written notices on reserve at least one week in advance of the meeting. The interpreter who is to be present at the meeting must deliver verbal or written notice to each person on the list, not less than three days before the meeting.”
- “The terms must be interpreted to the Indians, and, if necessary, to individual people, with the use of a qualified interpreter.”
- “The surrender must be assented to by a majority of the Indians whose names appear upon the voters' list, who must be present at a meeting or council summoned for the purpose as hereinbefore provided.”
- “The officer duly authorized shall keep a poll-book and shall record the vote of each Indian who was present at the meeting or council and voted.”
- “The surrender should be signed by a number of Indians and witnessed by the authorized officer, and the affidavit of execution of the surrender should be made by the duly authorized officer and the Chief of the Band and a Principal man or two Principal men before a judge, stipendiary magistrate, or a justice of the peace. “
- “The officer taking the surrender should report the number of voting members of the band as recorded in the voters' list, the number present at the meeting, the number voting for and the number against the surrender.” (NA, RG 10, vol. 7995, file 29103-1/1)

## Surrender Sales

The Mistawasis land surrendered in 1911 was put up for auction in August. Two individuals from Prince Albert bought all the land at prices ranging from \$12 to \$21 per acre.

A third auction of Cote lands was held on June 7, 1911. Very few parcels of land were involved, and prices ranged from \$5 to 22 per acre.

The first of two Blackfoot auctions was held in June at Gleichen, Alberta, and approximately half the land sold at an average of \$15 per acre. There were many local buyers, but speculation was heavy as well. Inspector Markle, in charge of the sale, appears to have allowed one Montreal speculator to prearrange deposits on bids, and possibly to have secured the sale in some instances. Other buyers later alleged that the sale was rigged. A second sale in 1917 disposed of the remainder of the land at an average of \$23 per acre. Here, too, an anonymous citizen contacted the Calgary press to allege that there was a conspiracy among buyers before the sale.

In 1912, the practice of collecting a 10 per cent Land Management Fund levy on land and timber sales was discontinued, having been in existence since 1857 (see 1896, above). In 1911-12, over \$35,000 was spent from the fund in Ontario and Quebec, whereas over \$28,000 was being collected from the three Prairie provinces and the Northwest Territories. In 1913, an Order in Council was passed to have the moneys repaid into capital accounts, with no interest (OCPC 2901/1913, November 17, 1913; NA, RG 10, vol. 6813, file 481-1-27).

Other changes in the Land Regulations with regard to sales would occur in the next few years. In 1918 the interest was raised back to 6 per cent, and agents were allowed to collect 7 per cent on payments in arrears. In 1935, interest payments on both unpaid principal and arrears were reduced to 5 per cent.