Sir: -

I beg to acknowledge the receipt of your letter of the 31st ultimo, in which you seek information with regard to the mining of precious metals on Indian Reserves, and in reply I beg to say that Section 43 of the Indian Act has not so far been amended to provide for the collection of a royalty on base metals taken from Indian reserves by persons mining for precious metals, and therefore where base metals are associated with precious it will first be necessary to have a surrender assented to by the Indians for the said base metals before the Department's regulations for the base metals before the Department's regulations for the mining of precious metals can become operative.

During Mr. Scott's visit to the Coast in the Fall of 1920 I pointed this feature out to him and suggested an amendment to the above mentioned Section to provide for a royalty, otherwise the base metals would be taken away with the precious metals and the Department would have no control over them. Mr. Scott then informed me that he thought it would be necessary to have a surrender taken in every case.

The question of the use of timber on an Indian reserve by persons holding the right to mine for precious metals has not so far been specially taken up as the spirit of our regulations is that a miner is given all the rights contained in the Provincial Mineral or Placer Mining Acts (see Clause fy. By Sections 23 of the Mineral Act and 28 of the Placer Mining Act a miner may use as much of the timber on his claim as is required for the "winning and getting from and out of such claim the minerals contained therein, including all operations connected therewith or with the business of mining.... This

latter provision, however, gives very wide latitude to a miner or a mining company, and therefore where there is a quantity of timber on any claim I am of the opinion that under clause (g) the Superintendent General could incorporate in the lease a condition with regard to the use of the timber upon it being pointed out to him that such is necessary to safeguard the interests of the Indians.

With reference to surrenders I beg to say that no surrender can be submitted to the Indians for their assent except on the authority of the Superintendent General or his Deputy, and when such authorization is given the forms are sent from Ottawa to an Indian Agent properly filled out.

You refer to my letter of 30th September, 1921, this should be 1920.

Your obedient servant,

F. J. Bell, Esq., Indian Agent,

W. E. Ditchburn. Chief Inspector of Indian Agencies.

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Vernon, B. C.