

must suppose it to have been due to the quaint representations of the prophets of the Klondyke, who talked wildly of the fabulous wealth of the country, and, doubtless, those who imposed it meant to give the Klondyke many blessings with it, especially a railway and improved trails, but, while the royalty was rushed on, the railway was rushed off, and as the executive at Dawson failed to attend to the trails, the miners found themselves saddled with a new huge burden and no corresponding improvements at a time when everything was at its dearest—*e.g.*, lumber, \$400 a 1,000 at many of the mines; nails, \$5 per pound; freightage and provisions fabulously dear. He might then well complain, and may still, for he remains without help from the Government, where the Government can best help him—*viz.*, in improved facilities for cheap transportation to the Yukon and in the Yukon."

Mr. Treadgold then goes on to describe some of the results of the royalty. It encourages, he asserts, dishonesty, for false returns must (sic) necessarily be made in many cases; it renders a large number of the middling and poorer claims unworkable at a profit, and therefore unsaleable; it keeps a number of mines that would just pay the mere royalty from being worked and hence labour is not employed to anything like the extent warranted by the gold in the creeks, and thus presses hard on new arrivals. One argument in favour of the royalty has been that the men who dig out gold in the Yukon are largely aliens and do Canada no good with the gold they take out; therefore we will tax them heavily. Mr. Treadgold suggests that this would require the exemption of Canadians from the tax, and states that while there are many aliens in the north diggings, yet all who dig benefit Canada directly or indirectly. He concludes by setting forth the conditions under which creek claims may be secured, the prospector after paying his license is allowed to stake a claim of 250 feet in length on a creek, of which one-half is reserved for the Crown. Of this very short claim one-tenth is the Crown's as royalty and the miner pays the recording and renewal fees. There can be no doubt that the objections to so heavy a royalty as 10 per cent. on the gross output of the Yukon mines are not unreasonable, but one can readily understand that the Canadian Government was suddenly confronted with a very difficult problem in the administration of this distant and almost inaccessible region, and to so provide that the district itself should bear the cost of government the imposition of a royalty tax appeared to be the best and only feasible solution of the difficulty.

It will now, however, be possible to compare the relative cost of the administration of the Yukon with the revenue derived therefrom, and we have no doubt that when it is found that ordinary governmental expenditure can be defrayed from other sources, the royalty will be, if not abolished altogether, at least materially reduced.

The Hon. the Minister of Mines publishes this month in the official Gazette, an announcement rescinding the Order-in-Council of the 29th of October, 1897, providing for relief against forfeiture of mining property owing to the lapsing of a Free Miner's Certificate, the rescission taking effect "on and after the 15th of November next." This action, we understand, was necessary in

consequence of the recent judicial decision regarding the ownership of a mining claim known as the "Bismarck," in West Kootenay, of which the following is the text:

The mineral claim Gold Cure held by the plaintiffs was located on the 12th day and recorded on the 23rd day of August, 1896. The assessment work for the first year was done within the time, but not recorded until the 26th day of the month.

The mineral claim Bismarck owned by the defendants was located on the 7th day of October, 1896, admittedly in the belief that the plaintiffs had abandoned their claim and in ignorance of the proceeding taken by them under the Order-in-Council presently to be referred to. The Bismarck, which was conceded to be a valid claim, subject only to any prior claim of the plaintiffs in respect of the Gold Cure, overlaps it, and the ground common to both claims is the subject of this action.

By an Order-in-Council dated the 2nd July, 1896, after reciting that owing to the lateness of the season, the depth of snow in the mountains prohibited many holders of claims from performing the assessment work required by the Mineral Act during each year, it was, professedly in pursuance of section 161 of the Act, provided that "it shall be lawful for the Gold Commissioners throughout the Province to extend the time for a period of sixty days, to date from the 17th day of July, 1896, for the completion of the assessment work on such mineral claims as the Gold Commissioners have good cause to believe are at this time inaccessible in consequence of the depth of snow that covers the said claims."

"On the 6th day of August, 1896, the Gold Commissioner of the district, acting under the Order-in-Council on the plaintiffs application, extended the time for doing the assessment work which had not then been completed, to the 17th day of September, 1896. The work was actually finished in time to have been recorded within the year, and the only reason given for the delay was that the plaintiffs relied upon the extension.

By an agreement between the parties at the trial the only questions for determination are: (1.) Was the Order-in-Council *ultra vires*? (2.) Whether the plaintiffs can avail themselves of the assessment work having been done within the year? (3.) And are the plaintiffs, if necessary, entitled to the benefit of section 53, which provides that no free miner shall suffer from the act of any Government official?

"As to the second question, there being no evidence either way, I must assume that the Gold Commissioner has good cause for granting the extension. This being so, I know of no principles upon which the extension, if valid when granted, would become void merely because of the unexpected disappearance of the snow in time to permit the work being done within the year.

"With reference to the third question, it seems to be clear that if the Order-in-Council was *ultra vires*, the section invoked by the plaintiffs cannot apply.

It only remains to consider whether the Order-in-Council was *ultra vires*. Section 24 enacts that: "If such work shall not be done, or if such certificate shall not be so obtained and recorded in each and every year, the claim shall be deemed vacant and abandoned, any law to the contrary notwithstanding." This provision is neither ambiguous nor doubtful. To give effect to the Order-in-Council would not be to carry out the provision but to excuse

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