

case of certain minerals, their consent alone is not sufficient; the consent of the Indian department is also required. That is where the principle of trusteeship comes in. There may have been in the past errors of judgment in the administration of some of these matters relating to Indian reserves; but on the whole, as far as my knowledge goes, there has been a desire throughout successive administrations to recognize the principle of trusteeship. While at times perhaps what might be called poor bargains were made, this was an error in judgment, not a calculated thing. The only way in which any return can be secured for the sub-surface rights to minerals that exist in these reserves is by providing some machinery to deal with it, and I cannot suggest anything better than what is contained in the provisions of the Indian Act relating to the surface assets, which has stood the test of time. We may say, "We will have nothing to do with it; we will not permit prospecting for oil or minerals; we will leave them dormant in the bowels of the earth." But that does not do any good to the Indians who own the reserve. The problem is to find an intelligent method of providing for development, which will adequately protect the interests of the Indians. I would say that is certainly the aim of the present proposals. This simplifies the procedure to some extent. To the disposal of minerals it applies the same provisions which now apply to the disposal of the surface assets I mentioned, such as timber or hay.

Mr. STEVENS: The purpose of this legislation is to enable the governor in council to make regulations empowering the superintendent general to issue leases of land deemed to contain minerals. The point I am trying to emphasize is that it seems to be implied in the resolution that all that will be done is that an application will be made to lease a large area for the purpose of prospecting for minerals, and, to use the language of the resolution, "to mine and take away the same." If a lease is given, it might be at a certain annual rental. But before any minerals are actually proven to exist certain work must be done, and a lease that would be given before such work was undertaken would probably be of a kind that would not protect the interests of the Indians in case a very valuable property should be developed. So I emphasize the desirability

of adding to the terms of the lease the principle of royalty. I can easily visualize some large corporation or group securing a lease and getting a surrender from the Indians, who might think, "Well, there is nothing much there anyway," and the lease might be given on easy terms. Subsequently a Sullivan mine or some other very valuable property is found. The Indians have tied themselves up by a lease, without the royalty feature apparently being contemplated. My suggestion is that, coupled with the power to lease should be a concurrent obligation to safeguard the rights of the Indians by provision for payment of a royalty in case minerals are found to exist.

Mr. STIRLING: The point has now been raised which all the way through has struck me as a curious one. It appears to me that the cart is before the horse in the first part of this resolution. I should have thought that some sort of prospecting would have been done before a lease would be considered, because until prospecting has been done I do not see how either the Indians themselves or possible lessees can be expected to know what areas they want to lease. Would the minister tell the committee what is the origin of this resolution? Are there in some parts of Canada reserves on which minerals are thought to exist and concerning which applications have been made to the government to ascertain how they can be developed? It appears to me it is a matter that should be given the gravest consideration by the government, because such implications are involved. I see in this a small edition of what happened in South Africa in the nineties. Great Britain was the suzerain of the Transvaal at that time, and suddenly the government of the Transvaal found on its hands a particularly nasty mess, because gold in rich deposits had been discovered in a certain part of that country. For aught we know, somewhere in Canada to-day, in proximity to existing mining belts, in certain of the reserves now held by the Indians and in trust by the dominion government, there may exist reefs of that richness. Because of that possibility it appears to me the government should give this matter very close consideration indeed before setting its hand to a method of dealing with it.

Mr. NEILL: I notice the resolution says this is to be done by amendment to the Indian Act. I am not dealing with this particular resolution for the moment, but am