

ROYALTIES UNDER DOMINION LAWS.

Until recently, the regulations affecting minerals occurring in quartz on many Dominion Lands have not been subjected to serious scrutiny. During the last few years, however, in which considerable interest has been taken in gold and copper properties in Manitoba, criticism has necessarily been somewhat more pointed. The change from a freehold system to a leasehold system, and the fact that that change was made by Order in Council, stirred the interest of all who were seriously concerned with the future of mining developments in this district. It is noteworthy that no action has yet been taken on this matter by any organization without the boundaries of Manitoba. More recently, however, it has been realized that another situation connected with the regulation for the disposal of quartz mining claims demands attention. In Clause 94 of the Regulations it is stated that "The lease of a mineral claim shall reserve to the Crown such royalty on the sales of the products of the location described in such lease as may from time to time be fixed by Order in Council—the royalty to be collected in such a manner as may be prescribed by the Minister."

The developments in Northern Manitoba have now reached the stage where exploring companies of standing are willing to invest considerable capital in preliminary development work. It is necessary, however, for such companies to look ahead to the period of production, and to the probable action of the State in exacting taxation. While it may be freely admitted that the subject bristles with difficulty, and while it cannot be reasonably expected that an absolutely clear cut policy be laid down in the Regulations, it is none the less clear that the clause above quoted is so lacking in definiteness and concreteness as to be objectionable to the investor. There have been several instances of companies, desirous of carrying on exploratory work in this territory, who object in no uncertain terms to the vagueness of the above quoted regulations. On another page will be found the text of the resolution passed by the Manitoba Branch of the Canadian Mining Institute on this matter. As in mining laws generally, so in taxation, the experience of the Provinces is wide and varied; and a discussion on the regulations adopted by the Department of the Interior would doubtless be illuminating.

A SUGGESTION.

"Why could not mining flotations be put under the jurisdiction of the Bureau of Mines?" Such is a suggestion now being made by some of the most conservative mining men in the business.

Why couldn't they? There appears to be no reason why they could not and should not be. The Bureau of Mines, through the Mining Commissioner, and through Mining Recorders in each mining division, is in a position to benefit from the advantage of opinion in the mining fields. By adding to its already competent staff of geologists, which staff would have authority to enter any mine at any time and report to the government, the Bureau of Mines could readily recognize false or misleading literature circulated for the purpose of selling stock. In other lines of business punishment is handed out to those who get money under false pretences. Why not enforce similar measures in the business of mining? Such a plan would quickly eliminate the wildcat. Incidentally, it would give added impetus to honest mining.—J. McR.

MANITOBA BRANCH OF CANADIAN MINING INSTITUTE.

A meeting of the Manitoba Branch of the Canadian Mining Institute was held at The Pas on March 17th, at a time when the town was en fete by reason of the Hudson Bay Dog Derby, which was the season's event in the Northland. It was decided to make this an open meeting, and there was a very large attendance in the Assembly Hall of the Community Building. Two papers were presented to the meeting.

Mr. G. R. Bancroft discussed "The History and Possibilities of Prospecting in Northern Manitoba." The author dealt with the earliest period of prospecting in the copper and gold areas, in which he had taken a considerable part. He went on to deal with the present situation, and took up in detail the features of the various districts where discoveries had been made within the last two years, the nature of the surface indications, and the general economic possibility.

Mr. H. C. Carlisle gave a paper on the Mandy Mine. Mr. Carlisle, who has been manager of the mine for the last two and a half years, discussed somewhat fully the mineralogy of the orebody, the folding and faulting systems, and their relationship to the high grade copper sulphide lens and the low grade general orebody. He dealt with methods of operations that have been adopted in excavating the high grade lens and discussed the economic situation with reference to the mixed copper, zinc, and iron sulphides blocked out in the mine.

A general discussion ensued, and several matters relative to developments in the district were taken up. The question of royalty regulations applicable to quartz properties was taken up, and a committee consisting of Messrs. Bancroft, Bunting and Vickers was appointed to draw up a resolution. The following resolution was then unanimously adopted:

"Whereas in the regulations for the disposal of Quartz Mining Claims approved by Order in Council dated May 25th, 1917, it is laid down in Section 94 that such royalty may be reserved to the Crown on the sale of the products of leased claims, as may from time to time be fixed by Order in Council;

"And whereas in the experience of those interested in furthering the development of mining in Manitoba it has been found that the terms respecting the matter of fixing royalties on leased properties are so indefinite that financiers hesitate to support exploration enterprises until a more concrete plan of charging royalties is outlined;

"Therefore be it resolved that the Manitoba Branch of the Canadian Mining Institute assembled in session at The Pas unanimously request the Council of the Canadian Mining Institute to present the situation outlined above to the Minister of the Interior, and to recommend that the section referring to royalty be so amended as to give as clear an idea as may be of the plan which the Government intend to adopt in charging royalties on operating mines; and further to indicate whether it is the policy of the Government to permit mining companies to operate for a certain period of years before royalties are charged on their properties."

The chairman of the meeting was Mr. R. C. Wallace, President of the Manitoba Branch.