tion for Provincial purposes. We, of course, on this side of the House do not believe that. We said to Mr. Whitney, "We have no State "tax here; instead of that we have royalties, and we are willing to "guarantee that so long as you pay royalties we will not tax you "for Provincial purposes."

NO EXEMPTION FROM MUNICIPAL TAXATION.

Then we said: "But you must remember, Mr. Whitney, we have "municipalities in this Province, and we do not propose to interfere "with their right to tax you. Whatever property you may have "which comes under the municipal assessment law of the Province "you must pay taxes on to the town or municipality, as the case "may be." He was willing to consent to that, provided we would assure him that the coal undeveloped in the seams would be exempt from taxation. Upon that point there was no difficulty. This coal in the seams is crown property. Even Mr. Whitney, when he gets a lease, does not get the ownership of the property. He only gets the right to work it; consequently the coal in the seams, being still crown property, would not be the subject of taxation. We agreed, therefore, to guarantee to Mr. Whitney that his company should not be taxed by the province except in the way of royalty, and that they should not be taxed by the municipalities for undeveloped coal in the seams.

TRANSFER OF LEASES.

The Legislature has given to the Government a discretion with regard to the transfer of mining leases from one party to another. The Government have never found that power was of much practical good, except as to enforcing the payment of royalty. I do not know of any instance where a Government of Nova Scotia refused to grant to a company the right to transfer its lease to another company But the regulation has occasionally been found useful in the way of collecting royalty. Thus, when a company was about transferring its lease we would examine the company's account with the Government, and, where necessary, call attention to the fact that certain royalty had not been paid, and that royalty was accordingly paid before the transfer was completed. Mr. Whitney asked us to agree that the discretion conferred upon the Government to permit transfers of leases, which permission had never been refused, should be exercised when required—that whenever he bought the interests of another company from the lease holder and paid the price mutually agreed upon,