14/47117.

November 12, 1936.

Sir: File 18 159/12:- Cancelled Lease 219.

I have the honor to refer to the file quoted above and to transmit herewith copy of a letter which I have received today from Mr. C. E. Wilson, of Victoria, B.C., which will be self-explanatory.

In regard to the lease (which was cancelled by authority of Departmental letter dated January 30th, 1933, on account of non-payment of rental which was payable for five years from April 1st 1930 and on which only two years' rental had been paid) it should be pointed out that prior to the issuance of the lease a former lease renewal was inactive for a term of four years through non-payment of rental by the same parties and the existing arrangement was terminated as the files will show.

The active periods of the two leases in which the applicants were interested between 1898 and 1932 totalled 29 years, during which the sum of $444 only was paid which was equal to a rental of $15.31 per year. Had the leases remained active according to the terms of application and the reasonable requirements of the Department for the periods covered thereby, of 38 years a total of $1252.00 would have been paid which would represent an annual rental of $32.95 for 12 acres of land.

The rental set for the lease 219 was for $60.00 per year plus 5% of the gross value of mineral production but there was no production; and the rental as before indicated was paid for only two years out of five, the latter being the term of the lease.

In view of the record of the lease in question, it would seem desirable, if it is to be renewed, that we require a payment equal to five years in advance at at least the same terms as under lease 219, otherwise it is quite likely that the lessees will abandon it in the same manner for a third time. In the meantime the holding of the area prevents its being applied for by other persons who may later be interested in it. Perhaps the Department will be good enough to consider the present application and decide whether or not the application should receive approval and upon what terms. I do not consider we should ask less than the terms of lease 219, viz: $60.00 per year plus 5% of mineral output.

Your obedient servant,

P/AC

C. C. Perry.
Asst. Indian Commissioner for B.C.

The Secretary,
Department of Indian Affairs,
Ottawa, Ont.