mines as was the Sovereign on the 25th day of August, 1826.

In order, however, to give greater permanency to the coal-mining industry, and to induce capital to seek investment, it was provided in 1866 that lessees of coal mines and their executors and assigns in the Province holding leases from the Crown made since the first day of January, 1858, or thereafter to be made, upon giving six months' notice of their desire, should have the right to a renewal for a period of 20 years after the expiration of their lease, August 25th, 1886, and likewise, upon similar notice, to a second renewal for a term of 20 years, and also, upon like notice, to a third renewal and extension of 20 years, provided such lessees were *bona fide* working the areas comprised in their leases at the time of the application for renewal, which gave the right of renewal for a period of 60 years after 1886. Subsequently, however, the Legislature passed an Act enabling the Government after 1886 to issue leases which should be renewable at intervals of 20 years for a period of 80 years from the date of the lease. That, in fact, is the law now in respect to the leasing of coal mines in Nova Scotia.

When the period came for the termination of all the leases in 1886, the Legislature commenced to make provision for this event. A great many persons were holding coal leases not in actual working, and yet considerable sums of money had been spent in their development, in obtaining expert evidence in regard to the existence and extent of the coal seams, as well as in the endeavor to sell to capitalists for the purpose of active operations. The Legislature, therefore, provided terms and conditions upon which all these persons could obtain a renewal of their leases, though not engaged in active work. It was also enacted in 1885, Chapter 5, that all leases of coal mines issued thereafter should contain a provision that the royalties may be increased, diminished, or otherwise changed by the Legislature. This was to put an end to the possibility of any doubt on this point on the part of those engaged in coal-mining in Nova Scotia. It was intended to apply to the renewed leases, which were to be issued on the 26th of August, 1886, as well as to all new leases applied for after that date. As it was perfectly apparent that after the 26th of August, 1886, the Legislature had the unquestionable right to increase or diminish the royalty at will, those engaged in actual coal-mining operations approached the Government and pointed out that this incident would be an obstacle to the obtaining of capital for the further development of the mines, as the capitalists would fear the possible arbitrary exercise of this power to increase on the part of the Legislature. The Government of Nova Scotia, recognizing the force of this statement, suggested to the coal-owners that legislation should be obtained authorizing the Government to fix a maximum royalty which should not be exceeded during the pendency of the lease. It would not follow that this maximum royalty would be exacted at the present time, but it would be a safeguard that no more than that maximum should ever be exacted for 60 years at least. The coal-owners did not take kindly to this suggestion, and, as a consequence, the matter was left open.

For many years the coal-mining business of Nova Scotia has been in a depressed condition, and at 1886 it did not seem to the Government that it could legitimately bear a larger rental than was then being imposed. It may be mentioned that owing to changes in the methods of mining it was found to be inconvenient and undesirable that the coal should be screened in most instances, and, as a consequence, the Government having ascertained that $7\frac{1}{2}$c. cents per ton for all coal raised would be almost the exact equivalent of 6d. currency ($9\frac{7}{10}$ cents) per