

attracted a great deal of attention. But perhaps the question is one in which the ordinary citizen feels no special interest. At any rate it has not for him the absorbing interest which it has for the other classes to whom I have referred. A good deal of opposition to the proposed changes has been shown from the quarters named, opposition which is entitled to be regarded with respect. It comes from sources deeply interested in the success of our mining industry, in the direction the mining laws take and in securing a market for lands already purchased or for those still to be parted with by the Crown. Many men make it their entire business to carry on the early development of mining properties, the formation of joint stock companies, or what is called "syndicating" and the floating of the mine. It is a business to which they become strongly attached; there is a spice of adventure, of speculation, some might call it gambling, and men become absorbed in it. They purchase to-day at \$2 per acre from the Crown, they look to sell to-morrow at \$20 or it may be \$200 per acre. The great bulk of transactions, perhaps, leads to disappointment. If we were to start out with the supposition that every man who gets a lot of mining land obtains a rich mine we should arrive at a wrong conclusion. Explorers tell us that the chances of obtaining a good mine are few, and perhaps the experience of every country has shown that to be the fact. We have to deal to-day with two phases of the situation—first, the best mode of disposing of our lands, and second, the best method of encouraging or compelling development of any mines that may be found upon them. And, further, with a view to such a revenue for the Province for all time to come, or as long as the mines last, as may be consistent with the development of mining, and the avoidance of placing too heavy a burden upon those who are engaged in this industry. These are the principles involved in those bills to which I have referred, and which I shall ask the House to read together. It is altogether likely that the great portion of the mineral land will directly or indirectly fall into the hands of those who inhabit the new territory from Hastings west, yet it is thought that those who own the lands to-day, the people of the Province as a whole, should not let this vast mineral wealth pass out of their possessions without having from it such a revenue as may fairly be taken. Any measure which would impede the mining development would be to that extent a misfortune, but it has been thought by the Government that some moderate measure may be adopted which will in no wise prevent the proper sale or development, but in their sale and development will secure something to the people at large.

The Changes Proposed.

Now the changes that we propose to make are about five or six in number:—(1) It is proposed to increase the price of the mining lands, I am speaking now of the bill to amend the General Mining Act. (2) It is proposed by the amendment of the Public Lands Act to reserve to the Crown the minerals in lands sold for agricultural purposes, selling only the right to the surface. (3) It is proposed to reserve to the Crown a royalty upon certain of the minerals. (4) To compel the expenditure for mining purposes on land purchased from the Crown for mining purposes. The rate is \$5 per acre on claims of 160 acres, or \$3 when the purchase exceeds that quantity, the development to take place within ten years, or, if not, the minerals to revert to the Crown. (5) We devised a new mode of parting with the land by the adoption of the leasing principle. Under this system the Crown will remain the landlord. This principle has perhaps gained in public favor to a very considerable extent, and therefore we have provided that instead of selling the lands they may be leased for a period of ten years, with the right of renewal for another ten years at the same price and afterward renewed for periods of twenty years. There are advantages in this system which I shall discuss later on. All these changes were in the direction of securing a revenue to the Crown, of preventing the land passing too rapidly into the hands of the capitalists and retaining the fee simple in the Crown, and of compelling or inducing by the terms of the purchase such development as may be thought to be not inconsistent with the progress of the mines, and not too heavy a burden upon those who purchase or who commence developing.

Some Comparisons.

The laws of other countries relating to mining lands form an interesting study. They are of infinite variety. In every country some peculiarity is to be found. It is not a difficult matter, therefore, to suggest an alternative to any proposition that may be made. I shall not be surprised to find hon. gentlemen on either side advocate some other course than the one adopted. But the changes proposed are those which after considerable study have commended themselves to the Government as the best for the purpose we have in view, having regard to the character of our territory and the character of the mines which are to be developed. As to the reservation of minerals, it is not a new system here. Our free grant law has a provision of this kind. In the Dominion Lands Act gold and silver are reserved to the Crown unless specially granted. In New York gold and silver are reserved, and certain portions of other minerals. In Wisconsin the minerals are re-

served under what are called the certificates of sale, and in Nevada mining rights are reserved. In South Carolina, instead of reserving the minerals, a royalty is taken. In many European countries the same principle is asserted either by a royalty or by directly reserving the minerals. The United States land law dealing with the lands controlled by the Federal Government takes a different course and is much upon the lines of our own present law, and in the case of an actual sale gives the minerals with the lands. We cannot well hope to escape the influence of the laws of a country of the magnitude of the United States, for though not the earliest miners upon this continent, they have the greatest mining production of any country in the world. I presume their mining laws have had much to do with moulding our own. I am not unaware that we shall probably be reminded, by those who favor what may be called free mining, of the character of the United States laws. I suppose we shall be met with the arguments used by the Liberals who sat on the other side of the House in 1863, that we ought to sell everything, leaving the benefit to the country to come in the development of the mining industry. These arguments have been accepted for twenty years as embodying the proper principles to be applied to the mining laws of our own country. But in the leading European countries, in the Australian colonies and New Zealand this principle is not wholly adopted. In many European countries royalty is charged. In the United States the very word "royalty" is obnoxious. But it is not in respect of mines only that they have pursued this system. They have given away their public lands, their pine timber; they have practically given away the richest coal mines known to exist in the world. They have given away their gold and silver mines, yielding to individuals wealth which the fables of the past do not approximate. We may well consider whether that is a system to be followed by a people having large mining interests still in their infancy. Before going further on this subject I may be permitted to give to the House the names of some countries that impose a royalty. I have already mentioned that South Carolina has this system. That State imposes a royalty upon phosphates, the only mineral she possesses in large quantity, of \$1 per ton, the value of the phosphates at the pit's mouth being from \$4 to \$6 per ton. It is provided that this tax shall not exceed 25 per cent., but at present prices it is about at that rate. From that royalty South Carolina received \$200,887. Last year Nova Scotia received as a royalty upon coal and other minerals \$130,000, and in licenses \$31,850, or in all a revenue of about \$171,000. In 1887 the Dominion abolished royalties on the ground that it was hard to collect them, and the system has been adopted of license fees for small parcels of mining land. This plan has been in operation too short a time to enable us to judge of its success. British Columbia formerly imposed a royalty, but the law has been changed so as to impose a tax of \$1 per acre per annum on mining lands. The Province also leases or licenses small parcels upon the leads or veins at this rate. If the sum of \$200 per acre is expended in operating mines the tax is removed. In Quebec, under the old law, there was a royalty of 2½ per cent. on the gross value of gold and silver, and five cents per ton on phosphate. Under the new law it is 3 per cent. on the value of phosphate and 2½ per cent. on gold and silver. The mines that have been as successful as any perhaps are those in the northern part of Minnesota, Wisconsin and Michigan, where magnetic iron ore is turned out in great quantities. This land has been sold and there is no royalty to the State, but I am told, on what seems to me good authority, that a great portion of these mining lands are worked upon a royalty of 50c per ton payable to the owner of the land, and this on ore worth about \$2 50 at the pit's mouth, so that these mines are working under a royalty of about 20 per cent. I am told also that some of these mines are worked upon a royalty of 25 cents per ton, and some are owned by those who work them. I am told that in Ontario some of the mining lands in the County of Peterborough sold to American capitalists by the Crown at \$1 per acre are being worked under a royalty of 30 cents a ton. These lands yield some of the best iron ore that has been discovered, and in very large quantities. In Germany there is a royalty of 2 per cent., in France of 5 per cent., in Belgium 5 per cent. to the State and 3 per cent. to the owner. In Sweden and Norway the owner of the soil is entitled to join in the development of the mine with a half interest. In Austro-Hungary there is no royalty, but a heavy tax. In Portugal there is a royalty of 5 per cent. and 2½ per cent. to the owner of the soil. In New Zealand the land is rented at 2s 6d—say 60 cents—per acre per annum, with a royalty of 2 to 4 per cent. on the value of the ore at the pit's mouth. If the royalty exceeds the rent the rent ceases. In Victoria there is a rental of one shilling per acre per annum with a charge on the net produce of the mine.

The Royalty in Ontario.

Our own experience with a royalty began in 1862, I think, when a law was passed imposing a royalty of 2½ per cent. In 1864 a somewhat larger percentage was imposed and the Commissioner of Crown Lands was given some discretion in imposing it. In 1868 Mr. Richards introduced his bill imposing a royalty of, I think, from 3 to 10 per cent.,