

# Charges Present Laws Killing Mining Business; Finance Plan Is Offered

Prospector Shares for Development Is Urged by Fort William M.L.A.

CLAIMS COSTS HIGH

Elimination of governmental regulation vested in the Securities Commissioner, on the ground that it is "killing the mining business," yesterday in the Legislature was urged by Frank Spence (Con., Fort William), as he recommended in their stead a "prospectors pre-organization finance plan."

Under the plan, suggested Mr. Spence, each prospector with a likely claim would be allowed 1,250,000 vendor shares, leaving 2,250,000 in the treasury. For initial "pick and shovel" money for early development, the prospector would be permitted to issue enough shares to give him about \$2,500. On each share would be Government stamped an insignia which indicated that the stock was sold for developing a claim and that it was purely speculative.

On each share, also, would be the prospectors' sworn statement describing the claim. When further money was required, a second issue would be sold. It would bear again a Government brand or stamp and on each certificate would be a progress report, sworn to by the prospector.

"The main point is that on every one of these vendors' shares, the Government stamp would say frankly that it was speculative. If the prospector, in his sworn statements printed on each certificates, misrepresented his claim, he would be open to immediate prosecution. The plan would eliminate the red tape and regulation, and, at the same time would provide development money while giving full protection to the public against unscrupulous promoters," said Mr. Spence.

Mr. Spence argued that the full possibilities of a claim would be explored by the time all the vendors' shares were sold. Then, if a mine proved sound, organization as a producer could then be started with the treasury shares intact.

Regulations barring sales of stock by telephone and other rules had made the cost of floating development money so high that only about 25 cents out of every dollar invested in speculative issues actually went into the mine, said Mr. Spence.

"It has got to the point that the only way you can get money lawfully is to entice a customer out on the highway—out in the great open spaces—and take it from him there," he said.

The public, he charged, had lost confidence in the mining industry. "To say you are in the mining business you must accompany it with an apology as if you were a crook, and that is a serious situation," said the speaker.

"I say, that in the present situation, the mining industry does not need this security commission. There is no place for all this regulation. It is killing the mining business."

Mr. Spence also deplored the lack of prospectors. "We must get prospectors back into the bush. We are not getting any claim stakes. All you have to do to find that out is examine the records," he said.

## WOULD INCLUDE BONUS IN PRICE GIVEN FOR HOGS

Alternative Method Is to Make Payment When Certificate Is Presented

Two methods for the payment of hog bonuses were outlined to the Agricultural Committee of the Legislature yesterday by William Watson of the Live Stock Branch. The first would be by the farmer submitting his grading certificate to the department and receiving his bonus in return, while the second was for the packer to include the bonus in his price and, in return, be reimbursed by the Government.

If the first method was adopted it would entail considerable clerical work and cause some delay in the former obtaining his money, while the second way would tend to eliminate the practice of "flat" selling, or "grading on the hoof," by which farmers do not always receive full value for the hog, he said. The committee was informed that the Government plans to pay \$1 for hog carcasses grading "A" and 50 cents for those grading "B1."

Hon. P. M. Dewan, Agriculture Minister, stated that certain small packers were seeking to have the bonus paid in live weight. These packers operate without the services of Federal Government graders and do not issue grading certificates. To adopt this suggestion would be a retrograde step, in the opinion of the Minister.

According to L. E. O'Neil of the department, Western Canada is challenging Ontario for leadership in hog production. Last year there was an increase in production in Western Canada of 65.7 per cent over 1939, while in Eastern Canada the increase was only 34.1.