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CANADA  
DEPARTMENT OF MINES AND RESOURCES

MINES AND GEOLOGY BRANCH  
BUREAU OF MINES

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**THE MINING LAWS OF CANADA**

*A Digest of Dominion and Provincial Laws  
Affecting Mining*

*(Revised Edition)*

COMPILED BY  
**Arthur Buisson**



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OTTAWA  
J. O. PATENAUDE, I.S.O.  
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## PREFACE

The first edition of the "Mining Laws of Canada" was compiled by John McLeish and published in 1924. The second edition (1931) and the third edition (1938) have been prepared by Arthur Buisson, mining engineer, Division of Economics, Bureau of Mines, Department of Mines and Resources. With the purpose of securing greater uniformity, the report has been compiled based on the following main divisions:—

- I. Synopsis of the Mining Laws at present in force.
- II. Summary of special Acts relating to mining, mine taxation, etc.
- III. Lists of Acts, Amendments, and Regulations, at present in force.
- IV. Royalties.
- V. Bounties.
- VI. Schedule of Fees.

The synopses of Mining Laws and Regulations have been prepared in collaboration with those officers of the several governments who are directly in charge of their administration.

These synopses are intended merely as a general guide to the principles underlying the administration of the laws governing the mining industry in different parts of Canada.

The Mining Laws of most of the provinces and also the Regulations issued by the Federal Government are available in printed form. The reader is referred to the official sources regarding mining laws and regulations and their administration.

The Imperial Mineral Resources Bureau, London, England, has published a series of volumes dealing with the Mining Laws of the different parts of the Empire, and volumes dealing with the Mining Laws of Ontario, British Columbia, and of the Dominion of Canada have already been issued by this Bureau. Somewhat similar volumes have also been issued by the United States Bureau of Mines, Department of the Interior, Washington, D.C.

# The Mining Laws of Canada—A Digest of Dominion and Provincial Laws Affecting Mining

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## INTRODUCTORY

The British North America Act, 1867, created the entity now known as the Dominion of Canada. At that date, however, the Dominion of Canada did not embrace the wide territories now known as Canada. Up to 1868 Rupert's Land and the extensive and mainly unknown territories then referred to as the Northwestern Territory were either administered, by virtue of a charter granted by Charles II to certain merchant adventurers, by the Hudson Bay Company or were not administered at all. The Rupert's Land Act of 1868 provided for the surrender of rights and privileges granted by the before-mentioned charter. Rupert's Land and the Northwestern Territory were admitted to the Union in June, 1870, under the name of Northwest Territories.

The Manitoba Act was passed in 1870, by which the Province of Manitoba was formed from part of the Northwest Territories. Yukon Territory was formed in 1897, Alberta and Saskatchewan in 1905, and the remainder of the territories continued to be known as the Northwest Territories.

From the beginning it was assumed that the lands and the prerogative rights in mines royal were in the Dominion.

In July 1930, the Government of the Dominion of Canada transferred to the three provinces, Alberta, Manitoba, and Saskatchewan, the ownership and administration of its own natural resources.

The Dominion lands which come under the Federal Acts and Regulations controlling mining are those lying in the Northwest Territories, the Yukon Territory, and also the Indian Lands anywhere in Canada.

## MINING LAWS AND REGULATIONS RELATING TO DOMINION LANDS, ADMINISTERED BY THE DOMINION GOVERNMENT<sup>1</sup>

### I.

The title issued for Dominion lands, the property of the Federal Government, in the Yukon Territory and the Northwest Territories, reserves to the Crown the mines and minerals which may be found on or under such lands, together with the right of operation.

Minerals on vacant Dominion lands and on lands disposed of as above may be acquired by lease for a period usually of 21 years, renewable for further periods of like duration, on the following terms and conditions:

### COAL

The maximum area which may be granted under lease to one applicant is 2,560 acres, and the length of the location must not exceed four times its breadth. In unsurveyed territory the location must be staked by the applicant personally, and personal application must be made to the Mining Recorder for a lease. Such location must be marked on the ground by two legal posts, one at each end of the longest dimension, and a line must be marked out joining the posts. In surveyed territory personal application only is necessary. The lease conveys the coal mining rights only, but surface rights may be obtained by arbitration, if already disposed of, or under lease from the Crown if vacant. There is no limit to the area which may be acquired by assignment.

### PETROLEUM AND NATURAL GAS

*Yukon Territory.* The maximum area which may be acquired by one person is 1,920 acres, but any area may be acquired by assignment. The location shall be personally staked and applied for in the same manner as coal, and drilling operations shall be commenced within 15 months of the date of the lease. If drilling operations are conducted the expenditures so incurred may be accepted in full satisfaction of rental, until discovery of oil is made. Twenty thousand acres may be grouped by a lessee and represented by one drilling outfit.

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<sup>2</sup>Prepared in collaboration with Roy A. Gibson, Director, Lands, Parks, and Forests Branch, Department of Mines and Resources, Ottawa.

*Northwest Territories.* A preliminary permit may be obtained to prospect an area of 2,560 acres, rental payable on one-half of that area only. Upon discovery of oil being made a final lease of one-half the area acquired, to be selected by the permittee, will be issued. Permits to prospect on Dominion lands are also issued and the procedure to be followed in making such application is similar to the regulations governing the issue of leases. Rental is at the rate of 10 cents an acre together with a cash bond of 40 cents an acre guaranteeing an expenditure during the term of the permit, in core drilling or like operations, of a sum equal to the amount of such cash bond, and the bond so given shall be subject to forfeiture unless evidence is furnished to the satisfaction of the Minister that such expenditure was incurred during the period and for the purpose mentioned. The term of the permit is for one year.

### QUARTZ

*Northwest Territories.* Persons 18 years of age, or over, every mining partnership, and every joint stock company, shall be entitled on payment of the fee, as prescribed, to a miner's licence. Licences are obtainable from the Mining Recorders at Fort Smith and Cameron Bay, Northwest Territories, all Sub-mining Recorders in the Territories and at Edmonton, or from the Lands, Parks, and Forests Branch, Department of Mines and Resources, Ottawa.

A licensee may stake six claims in his own name and six claims each for not more than two other licensees, or eighteen claims in all, in any one licence year, in any one mining division. Claims should not exceed 1,500 feet in length by 1,500 feet in breadth (51.65 acres) with boundary lines running north and south, east and west, as nearly as possible, and marked on ground with four legal posts, number one post to be placed on northeast corner and lines blazed between each post.

Application for the grant of a claim must be made to the Mining Recorder for the district within 15 days of staking if claim is located within 10 miles of recorder's office, an extra day being allowed for each additional 10 miles or fraction thereof.

Claims may be held for a period of one year, and thence from year to year, without the necessity of re-recording, provided that development work to the value of \$100 is performed on the claim each year. Such claims, not exceeding thirty-six in number, may be grouped for the purpose of representation and work concentrated on one or more.

*Yukon Territory.* Every person, 18 years or over, is eligible to stake a claim not exceeding 51.65 acres. Claims are to be marked by two legal posts. Two proxies are allowed for each prospector, with power to stake one claim only for each proxy. The recording fee is \$10 per claim.

During the first year from the date of staking, work to the value of \$100 is required for each claim, or failing to perform such work, payment of the fee of \$100 in lieu of work may be made. Upon application, adjoining claims, eight in number, may be grouped, and work may be concentrated upon any one claim in the group. A certificate of improvements is issued after work to the value of \$500 has been performed, and certain

requirements regarding survey of the claim have been fulfilled. The Mining Recorder must be satisfied that the work has been done, or that the required payment in lieu thereof has been made, and also that valuable mineral has been found on the claim.

#### PLACER

Claims may be staked out and acquired by any person more than 18 years of age. Claims to be marked by two legal posts, one at each end, and the line adjoining them marked. Creek claims are staked along the base line of the creek and shall not exceed 500 feet in length and 1,000 feet in width. River claims are not over 1,000 feet on one side of the river and extend back 1,000 feet from low-water mark. Inland claims, that is claims situated elsewhere than on a creek or river, shall not exceed 1,000 feet in length by 1,000 feet. Expenditure in development of each claim to be incurred and proved each year; \$200 in Yukon territory and \$100 elsewhere.

#### DREDGING

A dredging lease conveys the exclusive right to subaqueous mining and dredging in not over 10 miles of a river bed in the Yukon Territory and 5 miles or less elsewhere. The term of the lease is for 15 years in the Yukon and 20 years elsewhere, renewable. Royalty, 2½ per cent. The lessee is required to install a dredge within three years from date of lease in Yukon, and within one year elsewhere with a proviso that in case evidence is submitted that preliminary prospecting operations are necessary for the disclosure of values and that research and investigation are necessary to determine the character of equipment best adapted for the recovery of mineral content, the Minister may grant the lessee an extension of time during the second, third, and fourth years respectively of the term of the lease, within which to make payment of the rental for each of such years and within which to install a suitable dredge.

#### ALKALI

Comprising natural surface accumulations of soluble mineral salts and associated marls, occurring at or near the surface. Area which may be leased, 1,920 acres. Term of lease, 20 years, renewable. The lessee shall expend in actual development or improvements on the property leased not less than \$10,000 during the first three years of the term of the lease. Not less than \$2,500 shall be so expended during the first and during the second years of the term.

#### CARBON-BLACK

The recorded owner of a lease of natural gas rights acquired under the regulations may obtain a permit to use the gas for the production of carbon-black, if the location affected is situated in an isolated part of the country where there is no market for the sale of the gas. The permittee must expend \$15,000 during each of the first and second years of the term of the permit in the erection and completion of an efficient plant. Gasoline content, if sufficient, must first be extracted.

## QUARRYING

*Northwest Territories.* Dominion lands containing limestone, granite, slate, marble, gypsum, marl, gravel, sand, clay, or building stone, may be leased. The maximum area to one applicant shall be 40 acres. A railway company or municipality, requiring material for construction or maintenance of railway or municipal works, may acquire more than one location. The location must be staked out, if situated in unsurveyed territory.

## POTASH

Natural occurring compounds containing sulphate or chloride of potassium, or both, in a condition directly soluble in water. Maximum area of lease, 1,920 acres. Term of lease, 21 years, renewable. Machinery for prospecting operations to be installed during first year of term of lease and operations commenced within 15 months from date of issue. A royalty not to exceed  $2\frac{1}{2}$  per cent of the value of the products may be collected.

## SAND AND GRAVEL PERMITS

*Northwest Territories.* Permits are granted for one year and convey the right to remove a specified number of cubic yards of sand, stone, and gravel from a portion of a bed of a river, or lake, to be described in the permit. A fee of \$1 is charged with dues at the rate of one cent per cubic yard for the quantity of material in excess of 1,000 cubic yards included in any one permit.

## II.

Information contained in I.

## LIST OF ACTS AND REGULATIONS

## III.

The Dominion Lands Act.  
 Yukon Placer Mining Act.  
 Yukon Quartz Mining Act.  
 Act to place Canadian coal used in the manufacture of Iron and Steel on a basis of equality with imported coal, 1930.  
 The Domestic Fuel Act, 1927.  
 (An Act to encourage the production of Domestic Fuel from coal mined in Canada.)  
 The Electricity and Fluid Exportation Act, R.S. 1927, and Regulations.  
 (Deals with exports of petroleum and natural gas.)  
 The Dominion Companies Act, 1934.

| <i>Regulations</i>                       | <i>Applicable to</i> |
|--|----------------------|
| Yukon Dredging Regulations.....          | Yukon Territory      |
| Petroleum and Natural Gas Regulations... | “ “                  |
| Alkali Mining Regulations.....           | Yukon and N.W.T.     |
| Carbon-black Regulations.....            | “ “                  |
| Coal Mining Regulations.....             | “ “                  |
| Domestic Coal Permits.....               | “ “                  |
| Potash Regulations.....                  | “ “                  |

| <i>Regulations—Concluded</i>  | <i>Applicable to</i>  |
|---|-----------------------|
| Dredging Regulations.....   | Northwest Territories |
| Oil and Gas Regulations.....  | “ “                   |
| Placer Mining Regulations.....  | “ “                   |
| Quarrying Regulations.....  | “ “                   |
| Quartz Mining Regulations.....  | “ “                   |
| Permits to Remove Sand, Stone, and Gravel<br>from the beds of rivers..... | “ “                   |

#### ROYALTIES

#### IV.

*Coal.* Five cents per ton.

*Petroleum and Gas.* May be charged, varying from  $2\frac{1}{2}$  to 10 per cent of the value of the product.

*Quartz Mining.* Upon annual profits in excess of \$10,000 and up to \$1,000,000..... 3 per cent  
 On excess above \$1,000,000 up to \$ 5,000,000..... 5 per cent  
 On excess above \$5,000,000 up to \$10,000,000..... 6 per cent  
 On excess above \$10,000,000 a proportional increase of one per cent for each additional \$5,000,000.

*Alkali.* Twenty-five cents per ton shipping weight. When this royalty exceeds  $12\frac{1}{2}$  per cent of selling value of salts, or brines in their natural state, royalty may be collected at rate of  $12\frac{1}{2}$  per cent of such selling price. When product is shipped in solution a royalty of 2 cents per gallon shall be paid.

*Carbon-black.* Five per cent of the value of the gas at the well.

*Placer.* Two and one-half per cent on gold shipped from Yukon territory.

#### BOUNTIES

#### V.

*Coal.* Payment out of Consolidated Revenue Fund of  $49\frac{1}{2}$  cents per ton of bituminous coal mined in Canada and converted to coke used in the manufacture of iron and steel.

#### SCHEDULE OF FEES

#### VI.

##### *Applications for Leases—*

|  |         |
|--|---------|
| Potash, Quarrying, Coal, Oil and Gas Permits in N.W.T., Petroleum and Gas Leases and Permits, Dredging in and out of Yukon Territory.... | \$ 5 00 |
| Alkali.....  | 10 00   |

##### *Rentals—*

|   |        |
|---|--------|
| Quartz and Yukon Quartz for first period of 21 years.....               | 50 00  |
| For renewal of period.....  | 200 00 |
| Surface leases, per acre, per annum.....                                | 1 00   |
| Potash, 25 cents per acre first year and 50 cents for subsequent years. |        |
| Coal and Quarrying leases, \$1 per acre, per annum.                     |        |
| Alkali lease, 25 cents per acre, per annum.                             |        |

*Rentals—Concluded*

- Petroleum and Gas permits in Northwest Territories and Petroleum and Gas leases, 50 cents per acre for first year and \$1 per acre for subsequent years.  
 Petroleum and Gas Permits, 10 cents per acre with cash bond at rate of 40 cents per acre.  
 Dredging, \$50 per mile, first year and \$10 per mile subsequent years.  
 Dredging (Yukon Territory), \$100 per mile first year, and \$10 per mile subsequent years.

*Assignments—*

- For registering assignment .....\$ 3 00  
 For each additional lease included in the assignment an extra charge of 50 cents for each one included.  
 For registration of assignment of divided location and issue of another lease. 25 00

*Sundry Charges—*

- Fee for copy of lease..... 1 00  
 Fee for certified copy of lease..... 2 00

The Quartz Mining Regulations, Yukon Quartz Mining Act, Placer Mining and Yukon Placer Mining Act contain a full tariff of various charges authorized under them and are as follows:

*Placer Mining in Yukon—*

- For grant of a claim for one year.....\$ 10 00  
 For grant of a claim for five years..... 50 00  
 For renewal of grant of a claim..... 10 00  
 Recording an abandonment..... 2 00  
 Registration of any document..... 2 00  
     If it affects more than one claim, for each additional claim..... 1 00  
 For filing any document..... 1 00  
 Abstract of title—  
     For first entry..... 2 00  
     For each additional entry..... 50  
 For copy of document—  
     Up to 200 words..... 2 50  
     For each additional 100 words..... 50  
 For grant of water—  
     Of 50 inches or less..... 10 00  
     From 50 to 200 inches..... 25 00  
     From 200 to 1,000 inches..... 50 00  
     For each additional 1,000 inches or fraction thereof..... 50 00

*Quartz Mining in Yukon—*

1. Recording mineral claim.....\$ 10 00
2. For a substitutional record..... 10 00
3. Application for a lease and issue of same..... 10 00
4. Recording every certificate of work..... 5 00
5. For a certificate of improvements..... 5 00
6. For a certificate of partnership..... 5 00
7. Recording assignments, abandonments, affidavits, or any other document..... 2 50  
     If document affects more than one claim, for each additional claim. 1 00
8. For granting period of six months within which to record..... 4 00
9. For an abstract of the record of a claim,  
     For the first entry..... 4 00  
     For each additional entry..... 50
10. For copies of any documents recorded where same do not exceed three folios..... 4 00  
     (Where such copies exceed three folios, 30 cents per folio for every folio over three.)

*Quartz Mining in Yukon—Concluded*

|  |         |
|--|---------|
| 11. For recording a power of attorney to stake from one person .....                           | \$ 4 00 |
| 12. For recording a power of attorney to stake from two persons.....                           | 8 00    |
| 13. For recording an assignment of a quartz mining lease.....                                  | 3 00    |
| 14. Rental, whole or fractional mineral claim granted under lease for term<br>of 21 years..... | 50 00   |
| 15. Rental for renewal term of 21 years.....   | 200 00  |
| 16. Rental iron and mica claim as defined by Section 18.....                                   | 150 00  |
| 17. Rental for renewal term of 21 years iron and mica claim.....                               | 600 00  |

When powers of attorney to stake and permission to record within six months relate to placer mining claims also, the fees prescribed by the Placer Mining Act and Regulations shall be collected in addition to the fee prescribed by these regulations.

*Placer Mining in Northwest Territories—*

|   |          |
|---|----------|
| For grant of a claim for one year.....                            | \$ 10 00 |
| For renewal of grant of a claim.....                              | 10 00    |
| Recording an abandonment.....                                     | 2 00     |
| Registration of any document.....                                 | 3 00     |
| If it affects more than one claim, for each additional claim..... | 50       |
| For filing any document.....                                      | 1 00     |
| Abstract of title—  |          |
| For first entry.....  | 2 50     |
| Each additional entry.....  | 50       |
| For copy of document—   |          |
| Up to 200 words.....  | 1 00     |
| For each additional 100 words.....                                | 50       |
| For grant of water—   |          |
| Of 50 inches or less .....  | 5 00     |
| From 50 to 200 inches.....  | 10 00    |
| From 200 to 1,000 inches.....                                     | 20 00    |
| For each additional 1,000 inches or fraction thereof.....         | 20 00    |

*Quartz Mining in Northwest Territories—*

|  |         |
|--|---------|
| 1. For a miner's licence or renewal thereof for an individual.. .....  | \$ 5 00 |
| 2. For an individual miner's licence issued on or after the 1st October<br>in any year.....  | 3 00    |
| 3. For a miner's licence or renewal thereof for a mining partnership<br>having not more than two partners.....   | 5 00    |
| 4. For a miner's licence or renewal thereof for a mining partnership<br>having more than two but not more than five partners.....  | 10 00   |
| 5. For a miner's licence or renewal thereof for a mining partnership<br>having more than five partners.....  | 20 00   |
| 6. For a miner's licence or renewal thereof for a company where the<br>capital authorized by letters patent or licence does not exceed \$40,000.                                 | 25 00   |
| 7. For a miner's licence or renewal thereof for a company where the<br>capital authorized by letters patent or licence is over \$40,000 but<br>does not exceed \$100,000.....    | 50 00   |
| 8. For a miner's licence or renewal thereof for a company where the<br>capital authorized by letters patent or licence is over \$100,000 but<br>does not exceed \$500,000.....   | 75 00   |
| 9. For a miner's licence or renewal thereof for a company where the<br>capital authorized by letters patent or licence is over \$500,000 but<br>does not exceed \$1,000,000..... | 100 00  |
| 10. For each additional \$1,000,000 or fraction thereof.....   | 100 00  |

(Provided that in cases where the authorized capital of any such company is over \$1,000,000 and it is, by affidavit of the president or secretary thereof, proven to the satisfaction of the Minister or the

*Quartz Mining in Northwest Territories—Concluded*

Deputy Minister that any part of such capital is actually being used in some other business enterprise and not in mining on Dominion lands, such part may be deducted in fixing the licence fees herein provided for.)

|   |          |
|---|----------|
| 11. Where the shares of a company have no par value the fee for a miner's licence or renewal thereof shall be based on the actual value of the shares at the time of the issue of the licence or renewal, as shown by affidavit of the president or secretary of the company, or as may be determined by the Minister, at the rate of \$100 for every \$1,000,000, but in no case shall the fee be less than..... | \$ 25 00 |
| 12. Whenever a miner's licence for a mining partnership or for a company is issued on or after the 1st October in any year, the fee shall be only one-half the amount above specified.  |          |
| 13. For recording each claim located by a licensee on his own licence..   | 5 00     |
| 14. For recording each claim located by a licensee on behalf of another licensee .....  | 10 00    |
| 15. For an examination of the record book, per claim.....   | 10       |
| 16. For inspecting any document filed with a mining recorder.....   | 10       |
| 17. For application for a certificate of work.....  | 2 50     |
| 18. For recording with the mining recorder a transfer, agreement of sale, option, power of attorney, revocation of a power of attorney, copy of a writ of execution, discharge of execution, or any other instrument affecting any recorded claim, right or interest, for each claim.   | 2 00     |
| 19. For a substitutional miner's licence.....   | 1 00     |
| 20. For a special renewal licence under Section 65 to save forfeiture, twice the prescribed licence fee.  |          |
| 21. For filing report of work under Section 65 to save forfeiture.....  | 10 00    |
| 22. For application for a lease of surface or mineral rights.....   | 10 00    |
| 23. For filing a certificate of mining partnership or certified copy thereof.   | 1 00     |
| 24. For recording a certificate of revocation of agent and appointment of a new agent for a mining partnership.....   | 1 00     |
| 25. For recording a transfer of a share or shares in a mining partnership.  | 1 00     |
| 26. For copies or certified copies of any document or record obtained from any officer, per folio of 100 words.....   | 30       |
| 27. For an abstract of the records of a claim—  |          |
| For first entry.....  | 1 00     |
| For each additional entry.....  | 10       |
| 28. For a grouping certificate.....   | 5 00     |
| 29. Rental of a claim, for the first period of 21 years.....  | 50 00    |
| 30. Rental of excess area, for first period, per acre.....  | 5 00     |
| 31. Rental for renewal period.....  | 200 00   |
| 32. Rental of excess area for renewal period, per acre.....   | 20 00    |
| 33. Rental for fractional claim.....  | 25 00    |
| 34. Rental for surface lease, for each acre, per annum.....   | 1 00     |
| 35. For registration of an assignment of a lease.....   | 3 00     |
| 36. For a substitutional record of entry.....   | 10 00    |
| 37. For application for a certificate of improvements.....  | 2 50     |

For copies of any of the regulations above referred to application may be made to the Director, Lands, Parks, and Forests Branch, Department of Mines and Resources, Ottawa.

## MINING LAWS AND REGULATIONS PERTAINING TO INDIAN RESERVES, ADMINISTERED BY THE DOMINION GOVERNMENT<sup>1</sup>

### I.

Disposal of Minerals on an Indian Reserve is authorized under Section No. 50 of the Indian Act subject to the condition that the consent of the Indian band occupying the reserve must first be obtained.

To some extent the mining laws of the province in which the reserve is situate, are operative, but the manner of such disposal is governed by three sets of regulations established by Federal authority and administered by the Indian Affairs Branch of the Department of Mines and Resources. These regulations deal respectively with the disposal of (a) Coal, (b) Petroleum and Natural Gas, and (c) the metallic and non-metallic minerals. It is to be noted that in all cases the consent and approval of the Indian band is the first requisite.

A summary of such regulations is as follows:

### COAL

### II.

The area of a coal mining location is restricted to 640 acres, and leases are granted for a term of 21 years, renewable, the annual rental being at the rate of 50 cents per acre and royalty being 12 cents per ton of 2,000 pounds.

Active operation of the coal mine must be commenced within one year of the date of issue of the lease and a sworn return of the output must be furnished. Provisions are also made for compensation to be paid to the Indians for any damage sustained to their improvements, for the inspection of all records of the lessee, and for reservation of the timber on the location.

### PETROLEUM AND NATURAL GAS

*Permits* to prospect for petroleum and natural gas are granted for a minimum area of 2,560 acres for a period of one year on payment of rental at the rate of 10 cents per acre, and such permits may be extended for a period of six months on payment of an additional rental at the rate of 10 cents per acre.

The maximum area of a petroleum and natural gas lease is 2,560 acres and the minimum area is 160 acres. *Leases* are granted for a term of 21 years, renewable, the rental being at the rate of 50 cents per acre for the first year and \$1 per acre for each subsequent year, the royalty being 10 per cent of the saleable value of the output.

Drilling operations must be commenced within nine months of the date of issue of the lease and control of such operation is maintained by the Department as affecting the access of water and gas to the oil-bearing formation. Provision is made for a reasonable annual expenditure by the

<sup>1</sup> Prepared in collaboration with Dr. H. W. McGill, Director, Indian Affairs Branch, Department of Mines and Resources, Ottawa.

lessee on development work, and drilling operations are at all times under control of the Supervisory Engineer or other officer designated by the Director. No well can be drilled within 300 feet of any road allowance, railway right-of-way, etc., without the written consent of the Minister or Director.

The lease does not include the oil shale rights to the land or to the oil which may be recovered from such shales by the process of extraction customary in such cases.

Surface rights may be leased at an annual rental of \$1 per acre and must be concurrent with the petroleum and natural gas lease.

### MINERALS

Reserves may be declared by the Minister open for prospecting and staking after the minerals have been surrendered by the Indians, and permits to prospect are granted by the Director to reputable persons who hold a Provincial miner's licence. The mode of staking and the size and number of mineral claims must conform to the mining laws of the province in which the reserve is situated.

Mineral claims must be recorded within 30 days from the date of staking and recorded holders thereof must perform specified assessment work within a period of 5 years from the date of recording. If such work is performed within the first two years no rental is charged, but if not completed within that period, rental at the rate of 50 cents per acre per annum must be paid during the third, fourth, and fifth year.

Sworn statements as to the progress of assessment work must be furnished at regularly stated intervals and provision is made for compensation to be paid to the Indians for any damage to their improvements, for the reservation of timber, and for Departmental inspection of the records of lessees.

Upon completion of assessment work and a proper survey of the claim being made by the recorded holder a long term lease (21 years) may be granted on payment of rental at the rate of \$1 per acre per annum for the first 5 years, \$1.50 per acre per annum for the second five years, and \$2 per acre per annum for the remaining 11 years.

Royalty is payable in proportion to the annual net profits and at specific rates. (See under Section IV, Royalties.)

### LIST OF REGULATIONS

#### III.

Regulations for the disposal of Coal.

Regulations for the disposal of Petroleum and Natural Gas Rights.

Regulations governing the issue of Permits to Prospect for Petroleum and Natural Gas on Indian Reserves.

Regulations for the disposal of Quartz mining claims within Indian Reserves.

## ROYALTIES

## IV.

*Coal*: Twelve cents per ton.

*Petroleum and Natural Gas*: Ten per cent of the output.

*Quartz Mining*:

|   |             |
|---|-------------|
| 1. Upon annual profits up to \$100,000.....           | 3 per cent  |
| 2. On the excess above \$100,000 up to \$200,000..... | 4 per cent  |
| 3. On the excess above \$200,000 up to \$300,000..... | 5 per cent  |
| 4. On the excess above \$300,000 up to \$400,000..... | 6 per cent  |
| 5. On the excess above \$400,000 up to \$500,000..... | 7 per cent  |
| 6. On the excess above \$500,000 up to \$600,000..... | 8 per cent  |
| 7. On the excess above \$600,000 up to \$700,000..... | 9 per cent  |
| 8. On the excess above \$700,000 up to \$800,000..... | 10 per cent |
| 9. On the excess above \$800,000.....                 | 10 per cent |

## BOUNTIES

## V.

None

## SCHEDULE OF FEES

## VI.

*Coal*

Permit to prospect.....\$ 5 00

*Petroleum and Natural Gas*

Permit to prospect..... 5 00  
 Application for lease..... 5 00  
 Registration assignment..... 3 00  
 Registration assignment of more than one lease, for each additional lease. 50  
 Registration of assignment of divided portion of a location and issue of new lease..... 10 00

*Quartz Mining*

Permit to prospect or renewal thereof..... 5 00  
 Recording each claim..... 10 00  
 Transfer or agreement to sell or transfer the whole or part of a mineral claim..... 2 00  
 Recording extension of time for performing assessment work and survey. 3 00  
 Application for lease of mineral claim..... 5 00  
 Certificate for relieving from disqualification under Sec. 13..... 20 00  
 Abstract or copy of entries in record book respecting any mineral claim, per folio (100 words)..... 10  
 Minimum charge per claim..... 25

More detailed information and copies of the Mining Laws and Regulations pertaining to Indian Reserves may be had on application to the Director, Indian Affairs Branch, Department of Mines and Resources, Ottawa.

## DOMINION TAX ON GOLD MINES

The Act relating to the Dominion tax is administered by the Income Tax Branch of the Department of Finance.

By amendment to the Income Tax Act, important changes were made in the depletion allowances allowed for income tax purposes to gold and silver. The allowance for depletion to mining companies, the principal product of which is gold or silver, is now 33½ per cent (instead of 50 per cent) of the net profits arising solely from their mining operations. Furthermore, dividends received by shareholders are now taxed on the basis of a 20 per cent depletion allowance instead of 50 per cent as formerly.

With a view to stimulating further exploration and development of the mineral resources in Canada, certain exemptions from income tax were granted in 1936 to mines coming into production after the first of May, 1936, and prior to the first day of January, 1943.

Section 89 of Part XIII of the Income War Tax Act *re* Metalliferous Mines reads as follows:

"89. (1) Subject to the provisions of this Section, the income of a company derived from the operation of any metalliferous mine which comes into production after the first day of May, 1936, and prior to the first day of January, 1943, shall be exempt from the corporation tax hereunder for its first three fiscal periods established by the Minister hereunder following the commencement of such production.

(2) The Minister, having regard to the production of ore in reasonable commercial quantities, shall determine which mines, whether new or old, qualify under subsection one hereof.

(3) The Minister shall issue a certificate stating the date upon which any mine is deemed to have come into production and establish such fiscal periods of twelve months each, during which the income derived from any such mine shall be exempt hereunder.

(4) The Minister may make any regulations deemed necessary for carrying this section into effect."

### REGULATIONS *re* Metalliferous Mines coming into production within the meaning of Section 89 of the Income War Tax Act:

1. For the purpose of Section 89 of the Act, a metalliferous mine shall be deemed to have come into production of ore in reasonable commercial quantities six months after the date when the company starts the shipment of ore or when milling operations actually start with a commercial milling unit.

The said six months period is allowed as a period for the purpose of tuning up, adjustments, and absorption.

2. At the end of the said six months' Adjustment Period the company shall be required to close its books for the purpose of commencing a new fiscal period. Fiscal periods thereafter shall be each of twelve months' duration.

3. If the day following the end of such six months' period falls on a date after the first day of May, nineteen hundred and thirty-six, and prior to the first day of January, nineteen hundred and forty-three, then the company shall be exempt for a period of thirty-six months from such date.

4. The Manager, President or Secretary of the company shall be required to certify when the company started the shipment of ore or when milling operations actually started with a commercial milling unit.

The Minister of National Revenue may request the Minister of Mines and Resources to appoint an appropriate officer to verify such certification.

5. Commencing with the start of the six months' Adjustment Period all expenses incurred prior thereto in the development of the mine (buildings, machinery, and cost of acquiring property excepted) shall be allowed as a deduction and shall be written off at the rate of 15 per cent of such expenditures per annum.

6. Expenditures for shafts which are sunk after the commencement of milling operations or ore shipments shall be written off at the rate of 15 per cent of such cost per annum.

7. Other development expenses incurred on the property during the period of tax exemption shall be charged to operating costs during the said period of tax exemption; provided, however, that where the Department of National Revenue is satisfied that the amount of development done is greater than that which would be normally required, a portion of such development expenses may be capitalized and written off, on a basis agreed upon by the Department of National Revenue and the company.

8. The rate of depreciation established by the company and concurred in by the Department of National Revenue in respect of depreciable assets during the period of tax exemption shall continue to be the basis of depreciation after the said period.

9. Notwithstanding the foregoing, the Minister of National Revenue, in conjunction with the Minister of Mines and Resources, may determine when a mine first comes into production of ore in reasonable commercial quantities, as to what mines, new or old, come within the exemption provided for in the said Section 89, when an excess of development has taken place, and all other matters of a mining character.

10. Separate accounting records must be maintained in respect of any mining property for which exemption hereunder is sought.

## GOLD EXPORT ACT

An Act respecting the export of gold from Canada was passed in May, 1932.

The Act provided that the Governor in Council could prohibit from time to time and for any period or periods the export of gold whether in the form of coin or bullion from the Dominion of Canada, except in such cases as may be deemed desirable by the Minister of Finance and under licences to be issued by him, provided that no such licence should be issued to other than a Canadian chartered bank. This latter clause was amended in 1935 to read "a Canadian chartered bank or the Bank of Canada."

The Act also provided for the making of any necessary regulations to ensure the carrying out of the provisions and the intent of the Act.

The regulations as passed in 1932 and amended in 1934 are as follows:

The export of gold, whether in the form of coin or bullion (bullion to include gold from ore, concentrates or base bullion), from the Dominion of Canada, is hereby prohibited except in such cases as may be deemed desirable by the Minister of Finance, and under licences to be issued by him. No such licence shall be issued to other than a Canadian chartered bank.

Previous to the passing of the Gold Export Act of 1932, there had been restrictions on the export of gold. By Proclamation, based on "an Act to provide for the continuance in force of a certain Proclamation made under the Finance Act (1914), and to authorize the prohibition of export of gold," R.S.C., 1919, c. 21, s. 3, the Government of the Dominion of

Canada prohibited the export of gold coin, gold bullion, and fine gold bars from Canada, except under licences issued by the Minister of Finance. This prohibition was renewed annually and expired July 1, 1926.

An Act to confer certain powers upon the Governor in Council in respect to unemployment and farm relief, and in the maintenance of peace, order, and good government in Canada, and entitled "The Unemployment and Farm Relief Act" (Chap. 58) was passed in August, 1931.

Under the authority of Section 4 of this Act an Order in Council was passed, dated October, 1931, bringing the export of gold under the supervision of the Minister of Finance. This action was followed in 1932 by the passing of the above-mentioned Gold Export Act.

The provisions of the regulations under The Gold Export Act, are continued and made effective until December 31, 1938.

### ELECTRICITY AND FLUID EXPORTATION ACT

The Act and Regulations are administered by the "Electricity and Gas Inspection Service" of the Department of Trade and Commerce.

This Act, passed in 1927, R.S.C. 1927, c. 24, regulates the exportation of electric power and of petroleum, natural gas, water or other fluid, whether liquid or gaseous, capable of being exported by means of pipelines or other like contrivances, and produced in Canada.

The Act provides for the imposing of export duties not exceeding \$10 per annum per horse-power, upon power exported from Canada, or not exceeding 10 cents per 1,000 cubic feet on fluid exported from Canada. Exempt from the payment of such duties are such persons as comply with the direction of the Governor in Council with regard to the quantity of power or fluid to be supplied by such persons to customers for use in Canada.

A licence is requested for the export of power or fluid and the amount must not exceed the quantity permitted by the licence.

A licence is also requested for the construction or placing in position of any line of wire or other conductor for the exportation of power, or any pipe-line or other like contrivance for the exportation of fluid.

The licence may provide that the quantity of power or fluid to be exported shall be limited to the surplus, after the licensee has supplied, for distribution to customers for use in Canada, power or fluid to the extent defined by the licence, at prices and in accordance with the conditions, rules and regulations prescribed.

In virtue of the provisions of the Act various regulations have been passed, by Order in Council, for the governance of the exportation of electrical power, petroleum, natural gas, water, or other fluid capable of being exported through pipe-lines or other like contrivances.

The licence fee, payable annually, is:—

|   |      |
|---|------|
| (a) In the case of a plant generating not more than 10,000 h.p. | \$25 |
| (b) In the case of a plant generating over 10,000 h.p.....      | 50   |
| (c) In the case of a natural gas plant.....                     | 50   |

The price charged to any person or company in Canada shall not exceed the prices at which the product is sold for export in like quantities under similar conditions.

## FEDERAL FINANCIAL ASSISTANCE TO THE CANADIAN COAL INDUSTRY

The Dominion Fuel Board is in charge of the administration of the various orders in council, which have been passed since March, 1928, authorizing assistance to the Canadian coal industry, as well as the supervision of payments to coke plants operating under the Domestic Fuel Act, 1927.

The orders in council deal with the movement of Canadian coals from eastern and western Canada to the Provinces of Ontario and Quebec. There are also provisions relating to inland rail of water-borne coal.

Competition of foreign coals at different points in Ontario and Quebec have had a direct bearing upon the application of these dispositions, and the situation consequently has necessitated a great deal of investigation by the Board.

The total tonnage of coal moved with the assistance of the Government from 1928 to the end of 1938 amounted to approximately 16,243,727 tons at a cost to the Government of approximately \$15,309,511 or \$0.94 per ton.

### COAL USED IN THE MANUFACTURE OF IRON OR STEEL

An Act to place Canadian coal used in the manufacture of iron or steel on a basis of equality with imported coal was assented to in May, 1930.

This Act was passed to implement the recommendation of the Royal Commission on Maritime Claims, and the provisions are as follows:—

1. So long as the provisions of tariff item No. 1019 in schedule B to the Customs Tariff remain in full effect, the Governor in Council may authorize the payment, out of the Consolidated Revenue Fund to manufacturers of iron or steel, of 49½ cents per ton of bituminous coal mined in Canada and converted into coke by a proprietor of coke ovens at his coke ovens in Canada, and used by such manufacturers in the smelting in Canada of iron from ore or in the manufacture in Canada of steel ingots or steel castings. No such payment shall be made more than once in respect of any coal so used.

2. No payment shall be made to any person or corporation entitled to receive any payment under this Act, or any drawback under the tariff item mentioned in the preceding section, where it is shown to the satisfaction of the Governor in Council that such person or corporation is not complying with laws enacted by the province in which the industry concerned is operating, for the purpose of maintaining in the operation of such industry hours of labour and rates of wages consistent with the provisions of any international convention adopted by a labour conference held under the Treaty of Versailles.

3. The Governor in Council may make regulations to carry out the intentions of this Act.

4. The Minister of Trade and Commerce is charged with the administration of the provisions of this Act.

Claims relating to the use of Canadian coals in the manufacture of iron and steel and the payments made from 1930 to December, 1938 were respectively 2,875,174 tons and \$1,420,736.60.

## DOMESTIC FUEL ACT (1927)

This is an Act to encourage the production of domestic fuel from coal mined in Canada.

It provides that the Minister (Mines and Resources) may enter into an agreement for a period not exceeding 15 years with any person approved by the Governor in Council, for the construction and operation by the said person of by-product recovery coke oven plants or such other carbonizing plants as have for their object the production by heat-treatment from coal of a coke suitable for domestic use, and of gas, tar, and other by-products.

The Governor in Council may from time to time during the continuance of any such agreement authorize payments to such persons in accordance with the provisions of the Act out of unappropriated moneys forming part of the Consolidated Revenue Fund of Canada.

It must be proved that the construction of such work is in the public interest, and that the works have been designed for the use therein of coal mined in Canada to the extent of at least 75 per cent of the total coal to be used.

The above provisions became inoperative after June 30, 1932.

Payments are made annually, and constitute, if the contractor be an individual, company or private corporation, a sum equal to 4 per cent, or if the contractor be a municipality or other public corporation, a sum equal to 5 per cent of the cost of the work, subject, however, in every case to be reduced by 5 per cent for each unit of percentage by which the quantity of coal mined in Canada used for the production of coke falls below 75 per cent of the total quantity of coal so used.

The net sum payable to any contractor in any year must not exceed \$1 per ton of Canadian coal used in the production of coke for domestic use.

The cost on which the amount payable is calculated is fixed and determined by the Governor in Council upon the recommendation of the Minister, based upon a report of the Dominion Fuel Board.

The total payments to March, 1938, were \$315,879.

## NOVA SCOTIA<sup>1</sup>

### I.

The Mining Law of Nova Scotia, as it is found in the Revised Statutes of 1923, with the amendments made since, contains all the legislative provisions of the Province at present in effect on the subject.

The first general Mining Act goes back to the year 1885. Previously, certain rules or decrees had been promulgated, but the ordinances, although they had the same authority, were not of sufficiently wide scope to be ranged in the same category with the mining laws of the present day. They were enacted for the purpose of protecting local interests in the development of particular mineral deposits such as coal, iron, gold, and other minerals. These early provisions have disappeared or have been included in the present law known as the "Mines Act of Nova Scotia." It constitutes Chapter 22 of the Revised Statutes of Nova Scotia, 1923, and Amendments.

All minerals in Nova Scotia are the property of the Crown in the right of the Province of Nova Scotia, with the exception of limestone, gypsum, and building materials, which are the property of the owners of the land.

In the matter of Mining Rights in Nova Scotia *aliens* enjoy the same privileges as do British subjects.

Crown lands whether ungranted or under timber licence or lease may be entered upon and prospected only with the consent of the Minister of Lands and Forests and upon such terms and conditions as he may prescribe.

The mining laws are administered, under the direction of the Minister, by the Nova Scotia Department of Public Works and Mines.

### THE MINES ACT

The Act is divided into four parts:

1. General provisions relating to mines of all kinds.
2. Provisions relating exclusively to mines of gold, silver, base metals other than ironstone, and to other veined minerals.
3. Provisions relating exclusively to mines of coal, ironstone, salt, and other stratified minerals.
4. Provisions as to power of the Governor in Council relating to submarine areas.

#### GENERAL PROVISIONS RELATING TO MINES OF ALL KINDS

An Inspector of Mines and deputy inspectors appointed by the Governor in Council, have for duty the visit and inspection of the various mines, and must ascertain that the laws, stipulations, and agreements relative to the working and management of such mines, and to the payment of rent and royalties accruing therefrom, are complied with, and

<sup>1</sup> Prepared in collaboration with the Deputy Minister, Department of Public Works and Mines, Halifax, N.S.

that the mines are being worked in a scientific, workmanlike, and effective manner, and with due regard to the maintenance of the value of such mines, and to the safety and protection of the persons employed therein.

No person may mine without a licence or a lease. Licence in this case includes prospecting licence and licence to search.

A prospecting licence or a licence to search entitles the holder to search for all minerals defined by such licence within the area to which the licence applies.

A licence constitutes authority to mine any mineral found in the area for purposes of investigation, examination or test only, and, shall not give the right to mine for commercial or industrial purposes.

A licence is for a term of one year from date thereof but may be renewed each year for five consecutive years if the owner thereof aggressively carries on to the satisfaction of the Minister, mineral investigation and work as prescribed.

The owner of the licence must report in writing to the Minister the results of all search for mineral on the area covered by his licence, and said report shall include certified copies of all or any geological or mining reports made for him and shall be accompanied by plans and sections at a scale no smaller than 200 feet to one inch showing the position and extent of all surface and underground work done on the property.

A lease is granted for a specific mineral but will be deemed to include authority to mine all minerals held in composition, associated with, or contained in such first-mentioned mineral or in ores in which such first-mentioned mineral is contained.

A lease shall give authority to mine, quarry, or extract the specified mineral and its associated minerals for commercial or industrial purposes and no mineral shall be so extracted except by the owner of the lease or his duly appointed representative.

No lease is granted for any area which has not been held under licence by the same person for at least one year previously except where previous or past work has yielded definite recorded information on the mineral resources of that area.

A lease is for a term of twenty years and is renewable for a further term of twenty years or such extended time as progressive development work proves the presence of mineable mineral provided that the owner or operators thereof aggressively carry on mining operations and work as prescribed to the satisfaction of the Minister.

No licensee shall enter upon private lands except with the consent of the owner or tenant or occupant or under special licence from the Minister.

No lessee shall enter upon or use for mining purposes any private lands except by agreement with the owner or under the provisions of the Mines Act.

If a lessee requires land or any right or interest in land for mining purposes and cannot make an agreement with the owner for acquiring the same he may take proceedings before the Minister to acquire the property sought. The Minister may inquire into the matter hearing all persons concerned, and may at the close of the hearing make an order dismissing the petition, or may allow the prayer thereof in whole or in part, and may

direct that the property sought shall be vested in the petitioner and the estate or tenure on which the same shall be held, and may order that the compensation to be paid the owner by the lessee shall be determined by arbitration. Upon payment of the amount of compensation awarded and on the registration of certain documents in the proper registry office the lessee shall have and hold the property or right or interest specified in the order of the Minister.

The lessee may at any time surrender his lease, but if any lien has been filed in the Mines Office against the lease the consent of the lien holder to the surrender must first be obtained.

The rent payable by the lessee under any lease is 50 cents per acre, and is due and payable on July 2 in every year.

Whenever by reason of mining operations having ceased upon any area comprised within any lease it has become, in the opinion of the Minister, necessary to do so, the said Minister may enter upon and take possession of any such area or any plant or property connected therewith.

Every lessee who has acquired any property, right or interest, must, if said property, right or interest is less than fee simple, use the same for purposes connected with mining only, and in such a manner as is least injurious to the owner of the land.

The Minister may when authorized by the Governor in Council purchase boring machines, quartz crushers, or such other machinery as is deemed suitable for use for the purpose of searching for or testing mineral deposits in the Province, and may permit the use thereof by such persons, and on such terms as he deems proper, or may expend out of the revenue of the Province such sums in the use of machinery as he deems fit.

**PROVISIONS RELATING TO MINES OF GOLD, GOLD AND SILVER, BASE METALS OTHER THAN IRONSTONE, AND TO OTHER VEINED MINERALS**

Leases for the right to mine gold and silver during a period of 40 years are granted by the Minister and bear date of the second day of July of the year in which they are applied for. Applications for leases must be in writing. They must specify the mining claims, or otherwise give the description of the tract of ground.

All mines of gold, etc. are laid off in squares of 40 acres, each boundary running astronomically 20 chains (1,320 feet). A lease may comprise any number of contiguous claims not less than twenty. Payment of \$20 for each claim applied for is required on the filing of an application for lease.

Prospecting licences are good for one year from date of application and give the right to search or prospect. These licences are subject to automatic forfeiture for non-performance of the statutory amount of work. Fees at the rate of \$10 per claim must accompany an application for a prospecting licence.

A licence shall be subject to the rights of the owner of the land covered by such licence.

A licence may comprise any number of claims, but no licence is granted for less than a full mining claim except where areas are held under licence or lease within the boundary of such claims.

An alluvial licence (a licence to search for alluvial gold, tin, or gem) is in force for a period of six months only (between March 31 and December 1) in any one year, and may cover a territory comprising ten adjoining claims.

Each application for an alluvial licence must be accompanied by a fee of 10 cents per acre.

The holder of an alluvial licence may obtain a prospecting licence covering the territory held by him under alluvial licence after having expended 40 cents for every acre contained in his licence, made return of the gold or alluvial mineral extracted and paid all royalty due.

Leases are subject to a yearly rental, payable in advance of 50 cents per acre for each year except the first year. This rental is due on July 2, and if not paid within 30 days thereafter the leases stand forfeited and the areas become open for application by the public. Provision, however, is made for protecting, within a year, the interests of bona fide operating lessees.

Leases are also subject to payment of royalties on the minerals mined thereunder, the rate being: on gold, 35 cents per ounce, and on silver 2 cents on each ounce, but no royalty is payable on gold or silver mined between March 31, 1938, and March 31, 1939; on copper, 4 cents per every unit, that is upon every one per centum of copper contained in each ton of 2,240 pounds of copper ore sold, concentrated, smelted, or shipped; on lead and zinc, 2 cents upon every unit, that is upon every one per centum of lead or zinc contained in each ton of 2,240 pounds of lead or zinc ore sold, concentrated, smelted, or shipped; on any and all other minerals, such royalty as may, from time to time be fixed and determined by the Governor in Council. Lessees may make with the Minister an agreement substituting for the royalties above mentioned (for a period not exceeding 20 years), royalties based on the annual profits of the mine in excess of \$10,000. (See IV—Royalties.)

The control of mining operations is governed by the Metalliferous Mines Regulation Act, which is Chapter 2 of the Acts of 1927. This Act makes detailed provision for the conduct of mining operations and for the safety of the workmen engaged therein.

Metal-bearing material may be crushed or treated only at a licensed mill or by machinery operated entirely by hand. Mill licensees must keep books containing full information concerning all materials crushed or treated, and due returns must be made to the Mines Office.

#### **PROVISIONS RELATING EXCLUSIVELY TO MINES OF COAL, IRONSTONE, SALT AND OTHER STRATIFIED MINERALS**

In this part a licence means a *licence to search*, and lease means a *lease of the right to mine*.

Licences to search for, and leases for the right to mine coal, ironstone, salt or other stratified deposits are granted by the Minister. Applications for same describing the tract of ground and specifying the mineral applied for must be in writing and must be accompanied in the case of an application for lease by a fee of \$50 and in the case of an application for licence to search by a fee of \$10.

A licence or a lease may cover a tract of ground not exceeding one square mile (640 acres) and not more than two miles in length. Boundaries must be laid out astronomically north and south, and east and west.

A licence is in force for a period of one year from the date of application, subject, however, to automatic forfeiture for non-performance of statutory amount of work.

The licensee may at any time before the expiration of his licence make application for a lease of the tract covered by his licence and may obtain a lease for the purpose of mining the mineral specified in the licence.

A lease is for a period of 20 years, but carries with it the right to the lessee to obtain three subsequent renewals of the lease, each for a period of 20 years, provided the lessee makes application for such renewals within the time specified in the Mines Act, and has complied with the provisions of the Act.

In the case of leases for coal, if the Governor in Council is satisfied that the holder of any lease or leases is prepared to carry on mining operations on so extensive a scale as would largely increase the amount derived from royalties, or is prepared to enter into such terms as would be in the interest of the Province, the Governor in Council may authorize the Minister to accept a surrender of any lease or leases and to issue in place thereof a consolidated lease covering such tract of ground, and being for such term of years, and containing such terms and conditions as the Governor in Council directs.

Every lessee must for every year after the date of the lease, except the first year, pay in advance (on July 2) a yearly rental of \$30 for every square mile comprised in his lease, but if in any one year he pays as royalty on mineral mined out of the leased tract an amount more than his annual rent, he will on application receive a refund of the amount paid as rent for that year. (See **IV**—Royalties.)

The holder of every licence to search must perform on the licensed area *bona fide* mining or prospecting work to the extent of not less than the work of two man day work for each acre or less under licence. At least one-half of this work must be performed within 3 months of the date of the licence and the remainder within 11 months of the date of the licence. The work must be reported within the time required otherwise the licence automatically becomes void. The time between November 16 and April 15 is excluded for first instalment of work, also any time which by an Order in Council or order of the Minister is excluded.

The holder of every lease must perform in each lease year on the leased area *bona fide* mining work equivalent to not less than 600 lineal feet divided between at least two levels. Failure to perform the work required makes a lease forfeitable, but forfeiture can only be declared after a hearing and investigation by the Minister and is only declared when it is considered to be for the best interest of the Province.

With the consent of the Minister areas may be grouped for work.

The Governor in Council or the Minister may exempt the lessee from the performance of work for such time as the Governor in Council or Minister may determine.

Every lessee shall in the months of January, April, July, and October send to the Minister correct returns showing among other things the quantity of mineral mined during the previous quarter, the amount of royalty accrued, the number of persons employed about the mine, and a description of the shafts, slopes, and works opened or constructed.

The Act provides instructions as to the procedure to be followed in the case of the lease of a submarine area, and also for the opening up of a coal mine.

A mill licence is required to crush, reduce, concentrate, or treat minerals dealt with in this section of the regulations.

#### **PROVISIONS AS TO THE POWER OF THE GOVERNOR IN COUNCIL RELATING TO SUBMARINE AREAS**

The Governor in Council may appoint commissioners to investigate any worked or unworked submarine coal mining area held under lease, and may make any necessary regulations and vest in any lessee of a coal mining area any submarine coal mining area held by another lessee, with provision for compensation to the person so divested.

These provisions do not apply to any submarine coal mining areas now held under lease dated April 1, 1893.

#### **CONTROL OF MINING OPERATIONS**

The operation of mines of coal, shale, ironstone, and fireclay is governed by the Coal Mines Regulation Act. This Act provides for the granting of certificates of competency of various classes to persons occupying different positions in a mine and both Acts make detailed provision for the conduct of mining operations and for safety of the workmen engaged therein.

Operation of other mines is governed by the Metalliferous Mines Regulation Act.

This Act deals with the following provisions: payment of wages, accidents in or about a mine, investigations and inspections by Mining Inspectors, abandoned mines, notice of change of ownership or working, inspection and filing of plans, daily inspection of machinery; and general rules dealing with ventilation, pumping, hoisting, shafts, ladderways, traveling roads, scaling, prevention of dust, care and use of explosives, etc.

#### **MINING TAXATION**

There is no Mining Taxation Act in Nova Scotia. The revenue is derived in the form of royalties.

#### **LIST OF ACTS**

### **III.**

The Mines Act, R.S.N.S. 1923, c. 22, and amendments to date.

The Coal Mines Regulation Act, R.S.N.S. 1927, c. 1.

The Metalliferous Mines Regulation Act, R.S.N.S. 1927, c. 2.

- Act for the Further Assisting of the Gold Mining Industry, R.S.N.S. 1909, c. 5.  
 Act for the Assisting of the Gold Mining Industry of Nova Scotia, R.S.N.S. 1933, c. 12, and amendments to date.  
 Act for the Encouragement of the Making of Iron and Steel from Native Ores, R.S.N.S. 1923, c. 133, as amended by 1925, c. 64.  
 The Nova Scotia Companies Act, 1923, and amendments.  
 The Nova Scotia Securities Act, 1936.

## ROYALTIES

### IV.

Royalties on minerals mined are payable as follows (a ton being in every case 2,240 pounds):—

*Gold and Silver.* On gold, 35 cents per ounce, and on silver 2 cents on each ounce; but no royalty is payable on gold and silver mined between March 31, 1939, and March 31, 1940. Lessees may make with the Minister an agreement substituting for the royalties above mentioned (for a period not exceeding 20 years), royalties based on the annual profits of the mine in excess of \$10,000.

*Coal.* Twelve and one-half cents upon every ton removed from the demised area or areas on which the mine is situate, or used in the manufacture of coke or other manufactured fuel, but excluding coal used for domestic purposes by the workmen and coal used in mining operations and in locomotives or by railways owned or operated by the lessee in connection with the operations at the mine.

*Copper.* Four cents upon every unit, that is, upon every one per cent of copper contained in each ton of copper ore sold, concentrated, smelted, or shipped.

*Lead.* Two cents upon every unit, that is, upon every one per cent of lead contained in each ton of lead ore sold, concentrated, smelted, or shipped.

*Zinc.* (Same as lead.)

*Other Minerals.* On any and all other minerals such royalty as may from time to time be fixed and determined by the Governor in Council.

The Minister may by agreement with the lessee of any mineral other than coal, substitute during a period not exceeding 20 years, for the above-mentioned royalties, the following royalty on the profits of the mine in excess of \$10,000, such substituted royalty to be according to the following scale:—

- |   |            |
|---|------------|
| (a) Upon annual profits in excess of \$10,000 and up to \$1,000,000.....                                    | 3 per cent |
| (b) On the excess above \$1,000,000 up to \$5,000,000..   | 5 per cent |
| (c) On the excess above \$5,000,000 up to \$10,000,000....  | 6 per cent |
| (d) On the excess above \$10,000,000 a proportional increase of 1 per cent for each additional \$5,000,000. |            |

## BOUNTIES

## V.

None; but for the encouragement of the making of iron and steel from native ores the Governor in Council may refund the whole or any part of the royalty paid on coal used within the Province of Nova Scotia in the making of iron or steel to any company which erects within the Province plant, buildings, and machinery capable of a daily output of not less than 200 tons, where such iron or steel is made from ore at least 25 per cent of which is mined in Nova Scotia.

## SCHEDULE OF FEES

## VI.

|  |        |
|--|--------|
| (1) For every search of any lease or licence or application for lease or licence or of title of any kind relating thereto when made in person..\$  | 0 30   |
| (2) For a like search on request by mail.....  | 0 50   |
| (3) For every copy of any lease or licence or any paper affecting title, per folio.....  | 0 15   |
| (4) For every certificate of competency for:   |        |
| Manager.....   | 5 00   |
| Underground Manager.....   | 3 00   |
| Overman.....   | 2 00   |
| First-class Stationary Engineer.....   | 5 00   |
| Second-class Stationary Engineer.....  | 3 00   |
| Third-class Stationary Engineer.....   | 2 00   |
| Mine Examiners.....  | 1 00   |
| Fireman.....   | 0 50   |
| (5) For every other certificate under the hand and seal of the Minister.   | 2 00   |
| (6) For the registration of any document affecting the title of any lease or licence for each lease or licence affected by such document.....  | 1 00   |
| (7) For every copy of any plan, such reasonable sum as the Minister approves, not less than.....   | 1 00   |
| (8) For consent of Minister to the assignment, transfer, or mortgage of any lease, or interest therein or for ratification of any assignment, transfer, mortgage, deed or other instrument affecting any lease....           | 2 00   |
| (9) For every inquiry and certificate granted by the Minister in connection with expropriation proceedings, etc., under the "Mines Act".....   | 25 00  |
| (10) For every inquiry and certificate in connection with application for forfeiture of any lease (in addition to necessary expenditure incurred by the Minister), a sum to be determined by the Minister not exceeding..... | 100 00 |
| (11) For endorsement of certificate of registration on duplicate of instrument lodged for registration.....  | 0 50   |
| (12) Application fee for every Licence to Search for mineral other than gold or gold and silver.....   | 10 00  |
| (13) Application fee for every lease of mineral other than gold or gold and silver.....  | 50 00  |
| (14) Application fee for every area applied for under Prospecting Licence or lease for gold and silver (not less than 20 adjoining areas to be taken if available.....   | 0 50   |
| (15) Application fee for every area under alluvial licence for gold or silver (tract to comprise 500 areas).....   | 0 10   |

## REPRESENTATIVES

|   |                    |
|---|--------------------|
| <i>Minister</i> . . . . .                               | Hon. Michael Dwyer |
| <i>Deputy Minister</i> . . . . .                        | Dr. A. E. Cameron  |
| <i>Inspector of Mines</i> . . . . .                     | T. J. Casey        |
| <i>Deputy Inspector of Mines and Quarries</i> . . . . . | J. P. Messervey    |
| <i>Deputy Inspectors of Coal Mines:—</i>                |                    |
| Waterford district . . . . .                            | A. R. MacDonald    |
| Glace Bay district . . . . .                            | S. B. McNeil       |
| Dominion district . . . . .                             | Wm. R. McDonald    |
| Pictou district . . . . .                               | R. H. Grey         |
| Cumberland district . . . . .                           | A. Phillips        |

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More detailed information and copies of the Mining Laws of Nova Scotia, Mines Reports, etc., may be had on application to the Deputy Minister, Department of Public Works and Mines, Halifax, Nova Scotia.

NEW BRUNSWICK<sup>1</sup>

## I.

In most grants of land issued by the Crown in New Brunswick since about the year 1805, all minerals are reserved to the Crown and are regarded as property separate from the soil. Most of the grants previous to this date reserve only gold, silver, copper, lead, and coals.

The periods in the issues of Crown grants of land in the Province of New Brunswick when *certain* specified minerals or *all* minerals were reserved by the Crown from those land grants were as follows:—

- (1) During the period previous to 1784 when New Brunswick territory was a part of the Province of Nova Scotia the following reservation to the Crown from grants was made: "All mines of gold and silver, precious stones, lapis lazuli, lead, copper, and coals."
- (2) From 1784 to 1810 (August 10) except as noted under (3) the reservation was: "All mines of gold, silver, copper, lead, and coals."
- (3) From 1805 (September 9) to 1809 (November 6) the reservation was: "All coals and also all gold, silver and other mines and minerals."

The F. W. DesBarres grant of February 11, 1805, reserves "Gold, silver, and coals."

- (4) From 1810 (December 10) to 1832 (June 4) "Gold, silver and other mines and minerals" were reserved.
- (5) From 1832 (October 24) to 1834 (March 20) the reservation was in the following terms: "All mines of gold, silver and other precious metals and all coals in or under the said land and full liberty at all times to search and dig for and carry away the same and for that purpose to enter upon the said land or any part thereof."
- (6) Subsequent to March 20, 1834, the terms of the reservation are: "Gold, silver, and other mines and minerals."

The following minerals are found in the Province; coal, gypsum, natural gas, and petroleum, bituminous or oil shales, salt, diatomite, limestone, tungsten, copper, iron, antimony, manganese, nickel, lead, and zinc.

*Aliens*, as well as British subjects, may receive mining rights.

The attention of those interested in prospecting and mining development is called to the fact that the Government of New Brunswick has provided a modern and efficient diamond drill which when not already in service may be obtained under favourable conditions, full particulars of which can be had upon application.

<sup>1</sup> Prepared with the collaboration of W. E. McMullen, Inspector of Mines, Department of Lands and Mines, Fredericton, N.B.

## THE MINING ACT

### II.

The Mining Act 1927 of New Brunswick, with Amendments up to and including the year 1933, is summarized as follows:

There are three classes of rights under this Act, Prospecting Licences, Mining Licences, and Twenty-Year Leases.

### PROSPECTING LICENCES

A prospecting licence is necessary before beginning search for minerals. This licence is issued at a cost of \$10 to any person over 18 years of age. It is effective throughout the whole Province and applies to all lands whether they be Crown lands or lands privately owned, with the following exceptions: (a) Any lands which may have been specially reserved from prospecting; (b) Lands already held under mining licence or lease; (c) Lands in a village, town, or city; (d) Lands used for railway or highway purposes; (e) Lands occupied by or surrounding buildings, and land under cultivation.

In the cases of (c), (d), and (e) entry may be made with consent of the owner or by order of the Lieutenant-Governor in Council.

When the Crown has already disposed of rights in certain minerals the prospector may enter upon the land to search for other minerals, but if in so doing objection is made by the person holding such rights then the prospector may not work on those lands until 10 days have elapsed or longer if the Minister so directs.

The prospecting licence is good until the end of the calendar year and gives its holder the right to stake off as many as ten 40-acre claims if he so desires. These claims are square and one-quarter of a mile on the side. They are marked by substantial posts at each of the four corners and the lines surrounding the claims must be clearly marked by blazing trees, planting pickets or raising small mounds as may be dictated by local conditions. The corner posts of the claim are numbered 1, 2, 3, 4, for the N.E., S.E., S.W., and N.W. corners respectively. No. 1 post must have upon it the name of the prospector, his licence number with the date and hour of staking. The other posts must bear the prospector's name.

The boundary lines of each claim must be run except where a block of land formerly held under a licence to work or a lease is to be again taken up as a group of claims, then the outside bounds only of said group need be run.

Where the claim is within territory not laid out for settlement purposes the side lines shall run north and south, east and west by the magnetic needle; but where the territory has been so laid out the bounds of the claim may conform or lie parallel to the lines of the lot containing it, or the claim lines may be run north and south, east and west as above.

While it is not required of the prospector that he shall have the lines of his claim run by a surveyor, yet it is his privilege to have them so run if he desires and work thus performed by a surveyor will be reckoned as the equivalent of 10 days of certain required labour on the claim.

It is necessary that every claim so staked shall within 30 days be registered at the office of the Mining Recorder in Fredericton. There is a fee of \$1 for every claim so recorded.

In filing the claim, sufficient information in the way of a sketch must be given the Recorder in order that he may be able to lay down the location on his maps. There must also be an affidavit that the statements made regarding the claim are correct and that at the time of staking there was nothing upon it to indicate it was not open to be staked. Whenever a claim is recorded the prospecting licence must be endorsed to that effect by the Recorder.

Should the validity of a claim be disputed, provision is made for an official investigation after notice has been sent to interested persons. If no dispute stands against a claim after it has been recorded for 60 days then the Recorder on application shall give a certificate of record.

In order that mining rights on a claim may be continued beyond the last day of December in the current year it is required that 25 days' labour shall have been performed on it. If there are more claims than one and they are contiguous the work of all of them may be performed on one or more. Should the work consist of boring, then one foot of boring will be the equivalent of two days' work. There are three exceptions, however, in regard to this required labour during that period of time, so that should the date of recording be later than October 31, or should the work be only partly performed, or if for good cause shown the prospector could not perform any of it, then on payment of \$1 per claim the right to the same may be extended throughout the next calendar year.

#### MINING LICENCES

At any time after the full amount of work has been performed on the claim or group of claims the holder thereof may apply for a mining licence. This licence will cost \$10 for each 40-acre claim. It will be good for the year in which it is taken out and for all of the next calendar year. After that it may be renewed from year to year at a cost of \$10 per claim, upon proof that 25 days' work has been performed for each 40 acres during the preceding period. Should there be failure on the part of the mining licensee to have had all the necessary work performed during any one year the licence may nevertheless in the discretion of the Minister be renewed on payment of the renewal fee of \$10, if after a report by the Inspector of Mines he is satisfied there was sufficient reason for the non-performance of the work.

Before a mining licence can be issued it will be necessary to file a return of the survey of the tract. This return must be made by a Deputy Land Surveyor at the cost of the applicant.

If any of the land to be taken under a mining claim or licence is privately owned, then it will be necessary for the applicant for a licence to furnish a bond with sureties satisfactory to the Minister in order to recompense the owner of the soil in case there should be surface damage.

A mining licence gives the holder the right to mine any minerals within its bounds except any which may have been already conveyed by the Crown under a licence or lease or disposed of in any other way.

### MINING LEASES

The holder of a mining licence who has complied with the requirements of his licence and who has under it opened up and for at least six months worked a mine may apply for and receive a lease good for a period of 20 years and renewable up to 80 years. The rental is \$10 a year for each 40 acres. The lease will be for certain specified mineral or minerals. Where a royalty is to be paid, it is specified in the lease and can only be changed by an Act of the Legislature except at times of renewal when a change can be effected by Order in Council. Royalty will be a credit on the rental after the initial year's rental has been paid so that where royalty exceeds the amount of the rental then there is no rental due.

The lessee is required to pay rent or royalty when due, to work his mine in a good and workmanlike manner, to regularly make reports of work and of the men employed, and to submit a plan of his mine workings to the Minister once a year.

A mining lease is not cancelled for non-compliance with its terms or for any other reason until the lessee has been duly notified and has had an opportunity to be heard.

After a lease has been applied for the document should be executed and recorded within a year to prevent loss of rights.

### SPECIAL PROVISIONS

Provision is made under this Act for the obtaining by a lessee of the necessary right of way either for road or railway in order that he may have free access to his workings and may be able to conveniently deliver the product thereof. Provision also is made whereby a lessee requiring drainage or a water supply in connection with his mine may obtain an easement or right of way for that purpose.

Mining rights may be transferred in whole or in part but such transfer should be registered in the office of the Mining Recorder at Fredericton. In the case of a lease the consent of the Minister is first required. There is a fee of \$1 for each transfer. Mining lease rights may also be surrendered to the Crown, and thereafter liability on the part of the lessee ceases.

When a mining property is abandoned or the rights thereon cancelled, the former holder shall have six months within which to remove his personal property and ore, or longer time if necessary upon order of the Minister.

Minerals under this Act include the following: salt, oil, natural gas, infusorial earth, ochres, paints the base of which is found in the soil, fire-clay, carbonate of lime, sulphate of lime, gypsum, coal, bituminous shale, albertite, but minerals shall not include building and monumental stones, mill stones, grindstones, sand, gravel, pottery clay, mineral waters, soap-stone, or peat.

It is not intended that a licence or lease will give the holder rights in the surface more than are necessary for the convenient opening up, working, and use of his mining property. The surface where utilized in connexion with underground work must be used in a manner which will cause as little injury as possible to the owners and occupants of the land or of adjoining lands.

Where a prospectus inviting subscriptions for shares is issued by an incorporated company, the prospectus must first be submitted to the Minister of Lands and Mines for approval. Failure to do this will be sufficient cause for the cancellation of mining rights.

### CONTROL OF MINING OPERATIONS

Regulations were passed in 1933 regarding employment underground, hours of working, age limit, care and use of explosives, cage signals and safety rules for cage travel, safety rules for slopes, ladders, shaft sinking, etc.

Persons violating these safety rules are liable to a fine of \$20 or to a month's imprisonment.

### MINING TAXATION

There is no Mining Taxation Act in New Brunswick. The revenue is in the form of royalties.

### LIST OF ACTS

#### III.

The Mining Act, R.S.N.B., 1927, c. 35, and amendments.  
The New Brunswick Companies Act, 1927, and amendments.  
The New Brunswick Security Frauds Prevention Act, 1935.

### ROYALTIES

#### IV.

Royalties have been set as follows:

Coal and oil shale as fixed by the Lieutenant-Governor in Council, but not to exceed 15 cents a long ton. The present rate per ton of 2,240 pounds is 10 cents.

Petroleum and natural gas, 5 per cent of the value at the well's mouth.

There is no royalty on limestone or gypsum.

Other products of the mine are subject to such royalty as may from time to time be imposed by the Lieutenant-Governor in Council.

Where it is deemed in the interest of development the Lieutenant-Governor in Council may by order provide that no royalty shall be collected for 10 years from the date of the lease.

### BOUNTIES

#### V.

None.

## SCHEDULE OF FEES

## VI.

|  |          |
|--|----------|
| Prospecting licence.....   | \$ 10 00 |
| Recording each claim.....  | 1 00     |
| Recording a transfer.....  | 1 00     |
| Renewal of claim for the second year.....  | 1 00     |
| Cost of mining licence per claim per year on application and after<br>the second year..... | 10 00    |
| (First payment includes the year in which application is made and the<br>next year.)       |          |
| Cost of 20 years' lease for each claim on application and for each<br>succeeding year..... | 10 00    |
| This rental will be deducted from any royalty which may be due.                            |          |

## REPRESENTATIVES

*Premier and Minister of Mines:* Hon. F. W. Pirie.

*Deputy Minister:* G. H. Prince.

*Inspector of Mines:* W. E. McMullen.

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More detailed information and copies of the "Mining Laws and Regulations for New Brunswick" may be had on application to the Inspector of Mines, Department of Lands and Mines, Fredericton, N.B.

## QUEBEC<sup>1</sup>

### I.

The Mining Law of Quebec, as it is found in the Revised Statutes of 1925, with the amendments made since, contains all the legislative provisions of the Province at present in effect on the subject. The first general Mining Act goes back to the year 1880. Previously, certain rules or decrees had been promulgated, but they were enacted for protecting local interests in the development of particular mineral deposits, such as iron, alluvial gold, phosphate, and others less easily defined. These early provisions have now practically disappeared. What may remain is subject to the present law known as the "Mining Law of Quebec." It constitutes Chapter 80 of the Revised Statutes of Quebec, 1925.

The Quebec Mining Act is administered by the Bureau of Mines, under the direction of the Minister of Mines and Fisheries.

### THE MINING ACT

### II.

In summarizing the provisions of the Mining Law of Quebec, reference to the penalty clauses is omitted and attention confined mainly to the clauses describing the practical steps to be taken; that is, to the part that refers to property rights, following up all phases through which the land passes from the moment of its leaving the public domain to its final acquisition by a private individual. In the matter of mining rights in Quebec, *aliens* enjoy the same privileges as do British subjects.

The above-mentioned stages may be reduced to three: (1) the prospecting of the claim covered by miner's certificate; (2) the period of development required by the development licence; (3) the mining concession. The latter (3) is subdivided into "mining concession" and "underground mining concession"; it may, also, be either merely conditional or made final by the issue of letters patent.

### MINER'S CERTIFICATE

The miner's certificate gives to the person holding it the right to prospect on all lands surveyed or unsurveyed, including the land of private persons where the mining rights have been reserved to the Crown.

The fee for a miner's certificate is \$10 payable on delivery. The certificate is valid from the date of issue until the first day of January next following. The prospector will do well to make sure that a territory is open for staking before venturing upon it.

The bearer of a miner's certificate may stake on the ground on his own behalf one or more claims, but not more than five, each covering not more than 40 acres and the aggregate area of the five claims not to include more than 200 acres.

Each claim shall be square in shape and shall be marked by properly inscribed stakes at each angle, and well blazed lines.

<sup>1</sup> Prepared in co-operation with A. O. Dufresne, Director, Quebec Bureau of Mines, Department of Mines and Fisheries, Quebec, Que.

Staking in surveyed areas is also governed by special regulations. In subdivided lands, claims are restricted to a half lot or to a quarter lot in cases where the lot contains more than 120 acres.

The claim must be staked without delay, and notice of it must be given within the 15 days following to the Bureau of Mines or to the nearest Mining Recorder.

The holder of a miner's certificate may also stake claims in the names of other persons who have certificates, but not exceeding a total area of 400 acres in any one year; that is to say, he may stake for two other persons. The procedure to be followed in this form of staking is governed by certain special rules.

Any person who has staked out the maximum area allowed may secure a new miner's certificate which is issued free, but this certificate does not give the holder the right to stake out claims in the names of other persons. A person can stake claims for another only under the first miner's certificate, issued for the calendar year, and up to a maximum area of 400 acres.

The Mining Recorder provides the staker of a claim with metal identification plates to be placed on each stake within the three months following the staking.

A claim may be abandoned and replaced by another, provided notice to that effect is given to the Bureau of Mines. Land covered by a claim that has been abandoned cannot be reopened for prospecting nor restaked until a period of 15 days has elapsed from the date of abandonment, or expiry, during which time a notice of it may be posted up.

Any prospector may protest the establishment of a claim obtained by illegal means, by laying before the Bureau of Mines a declaration supported by an affidavit, within the 30 days following the recognition of the claim which may then be cancelled as illegal.

The holder of a claim must, within the 12 months following the date of staking, prove that he has done on the claim development work equivalent to 25 days of eight hours. The work for five contiguous claims can be concentrated on one.

#### DEVELOPMENT LICENCE

Within the period of 12 months, allowed for the required assessment work, the holder of a claim who wishes to maintain his rights over it must secure a mining licence; this delay is extended to 24 months for claims located 100 miles or more in a straight line from the nearest railway point.

The fee for a licence is \$10, and the annual rental, 50 cents per acre. The licence is valid for one year from the date of issue, and is transferable by consent of the Minister. It cannot cover more than 200 acres and, in surveyed territories, half or a quarter of a lot, according as the area of the latter measures more or less than 120 acres.

The holder of such a licence may renew it before it expires, or within 10 days thereafter, on payment of a like fee of \$10, and an annual rental of 50 cents per acre, and, on filing an affidavit stating that the required development work for the year during which the licence is current, namely 25 days of eight hours each for every 40 acres, has been done. An excess

of work done within any one year may be applied on the next year, as well as the cost of surveying and core drilling.

Provision is made for the reduction to 25 cents an acre during a period not exceeding 2 years, of the annual rent exigible for the issuing or renewal of the development licence; such reduction is subject to the performance of the work required.

In the case of lands situated more than 50 miles from a railway, the Minister may substitute an additional annual rental of \$0.50 per acre in lieu of the required development work. That substitution, in fact, may be granted in any case where the Minister deems it advisable. In the case of a group of claims not exceeding five in number adjoining one another, the development work may be concentrated upon one of them. The development of an underground mine can only be undertaken with the permission of the owner of the surface rights, or failing such permission by arbitration.

Development licences covering natural gas and mineral oil are the subject of special procedure and the same may be said of excavations made near dwelling houses. The special directions concerning claims and property licences must be strictly followed.

Provision is made for the performance of mine development work on private lands by a third party, subject to paying for the damages and to expropriation failing an agreement.

#### MINING CONCESSIONS

Notwithstanding the foregoing, a mining concession may be made at any time and at any stage of the claim or of the development licence, without delay. The cost is \$5 per acre for the "superior metals and minerals" as defined by the regulations, and \$3 per acre for the "inferior minerals." A mining concession is limited in unsurveyed territory to a rectangular area of not more than 200 acres nor less than 40 acres, the claims to be at least 20 chains wide, adjoining one another or separate. In surveyed lands and in seigniories, the limit is fixed at not more than two lots and not less than half a lot in the case of lots less than 120 acres in area; or of not less than a quarter of a lot where the lots are 120 acres or more; with certain exceptions provided in special cases.

Any owner of mining lands, even if his title deeds are only conditional, may transfer his mining rights with the consent of the Minister to another individual or to a company incorporated under the laws of the Province of Quebec. The Bureau of Mines must be advised of the sale by the dispatch to them of the deed, together with the sum of \$10 for registration fee. The same is true in the case of transfers of lots held as claims or under a development licence.

The Crown retains full mining rights on: (1) lands in townships, granted subsequent to July 24, 1880, and (2) in the case of gold and silver, in lands granted previous to that date.

In seigniories, all mining rights belong to the Crown, with a few exceptions which it is not necessary to mention here.

Special conditions apply to concessions along lakes and rivers.

Underground concessions situated under the lands of private owners may also be acquired from the Minister by purchase.

The concession covering "superior metals" is inclusive of "inferior metals," but not the reverse.

The grantees of a concession may utilize the wood on it for the construction of necessary buildings by paying the value of the white and red pine only.

#### ACQUISITION OF MINING LANDS

All lands, supposed to contain mines or ores belonging to the Crown, may be occupied, prospected and developed, or be worked, after having been acquired as a mining concession, by purchase. The Minister may authorize the holder of a development licence to extract and ship each year, to any ore-treatment mill situated in the Province, a quantity of ore not exceeding 300 tons. The Minister may exercise the same discretion in the case of substances which (within the meaning of Section 3 of the Mining Act), are neither mines nor minerals when found in the lands of private parties, and may authorize the exploitation thereof on Crown lands, under a development licence. In such cases, the licence is issued upon payment of a fee of \$10 and an annual rental of \$1 an acre.

No one may, without permission, stake or acquire as mining lands of which the mining rights belong to the Crown: (a) lands set aside as village or town lots; (b) lands subdivided into building lots; and (c) lands lying within the boundaries of a city or town duly incorporated as a municipality.

The owner of a mining concession as well as the holder of a development licence or holder of a claim may sell, assign, etc., his rights as owner or licensee.

#### CANCELLATION OF SALES OF MINING LANDS

Mining lands are sold on the express condition that the purchaser shall *bona fide* commence mining operations within 2 years from the date of purchase and within such delay he shall spend for every section or lot of 100 acres a sum not less than \$1,000, if for superior metals, and not less than \$500, if for inferior metals.

All mining land and underground mining concessions thus sold which have not been patented on the expiration of the delay of 2 years and those the letters patent whereof have been issued after July 1, 1911, shall be subject to an annual tax of 10 cents per acre.

Any concession of land for exploitation of the ore to be found therein, for which letters patent were issued before July 1, 1911, and any concession of land containing ore made before July 24, 1880, the working of which has remained idle during the five years preceding March 1, 1939, may be revoked by order in council upon the recommendation of the Minister of Mines.

#### SPECIAL PROVISIONS RESPECTING MINING

The Mining Act provides for legislation regarding party passages, damages resulting from mining operations, water-courses and excavations, works to facilitate the transportation of mineral products, for the construction of mining roads and for geological exploration.

HONORS CAMP  
VIA RAIL

Miscellaneous provisions in the Mining Act deal with the use and application of dues, fees and fines; provides for sale of lands and reserves of mining lands; and provides also for municipal valuations of taxable mining property.

Provision is also made for the appointment of a mining commissioner, mining inspectors, mining recorders, and geologists, and the establishment of mining townsites. Up-to-date laboratories have been installed in Quebec as an aid to the mining industry.

### CONTROL OF MINING OPERATIONS

The Mining Act also contains detailed regulations intended to protect the health and lives of miners and workmen in mines and quarries. These regulations deal with open-cast workings in mines and quarries; protection of workmen in underground works, such as fire protection, handling water, air supply, sanitation, hoisting and shafts, haulage, timbering, scaling of workings, and protection in working places; care and use of explosives.

There are also regulations concerning the safety of work in mines, and dealing with boilers, compressors, buildings, etc.; and regulations governing prospecting and drilling operations for combustible gas and petroleum.

An Act respecting the turning to account of the natural resources of the Province was passed in 1937 and amended in 1939. It enacts that no corporation, unless it be solely constituted under a law of the Province may acquire any right in any hydraulic power or force, waterfall, rapid, land, forest, or mine forming part of the public domain of the Province on the 15th of March, 1937, or which may form part thereof at any time after such date.

However, the Lieutenant-Governor in Council, for a period of time and upon such conditions as he shall determine, is authorized to withdraw from the application of this provision all or any corporations acting as trustees or fiduciaries in virtue of an Act of the Legislature, of any other provincial legislature, of the country or of an Act of the Parliament of Canada.

### MINING TAXATION

The Quebec Mining Act provides that all mining land and underground mining concessions sold, which have not been patented on the expiration of the delay of two years, and those the letters patent whereof have been issued after July 1, 1911, are subject to an annual tax of 10 cents per acre. This tax is remitted if at least the sum of \$200 has been spent in mining work during the year.

Duties are levied on the annual profits of mines at the rate of—

|   |   |
|---|---|
| 4 | per cent on profits in excess of \$10,000 up to \$1,000,000 |
| 5 | “ “ “ “ \$1,000,000 up to \$2,000,000                       |
| 6 | “ “ “ “ \$2,000,000 up to \$3,000,000                       |
| 7 | “ “ “ “ \$3,000,000   |

## LIST OF ACTS

## III.

- The Quebec Mining Act, R.S.P.Q. 1925, c. 80, and amendments to date.
- The Titaniferous Iron Ore Premium Act, R.S.P.Q. 1937, c. 43.
- Act respecting the turning to account of the Natural Resources of the Province, 1937 (requiring corporations to incorporate under a Quebec charter). Bill No. 5, c. 28, 1937, and Bill No. 17, 1939.
- The Quebec Security Frauds Prevention Act.
- Territory in which prospecting for minerals is prohibited. Act R.S.P.Q. 1925, c. 88 and 89, and Orders in Council.
- Act providing for the organization of a Department of Mines and Fisheries, 1936, c. 20.
- Act respecting the petroliferous springs of the Gaspesian area, 1936, c. 22.
- Act to encourage the turning to account and development of natural resources suitable for fuel (peat bogs), 1936, c. 26.
- Act to provide for the establishing of mine-schools, 1938, c. 14.

## IV.

## ROYALTIES

(a)

None.

(b)

*Duties*

From and after the first of January, 1925, every mine in the Province of Quebec shall be liable for, and the owner, manager, holder, lessee, occupant, or operator of the mine shall pay the following duties:

- (a) Upon annual profits in excess of \$10,000 up to \$1,000,000. 4 per cent
- (b) On the excess above \$1,000,000 up to \$2,000,000. . . . . 5 per cent
- (c) On the excess above \$2,000,000 up to \$3,000,000. . . . . 6 per cent
- (d) On the excess above \$3,000,000. . . . . 7 per cent

The place and situation of every smelter, mill or refinery, built in the Province of Quebec for the purposes of smelting, treating or refining ore, minerals or mineral-bearing substances shall be chosen, determined or approved by the Lieutenant-Governor in Council.

In the event of the ore, minerals or mineral-bearing substances, coming from mines of the Province of Quebec, being removed outside of the Province, to be there treated, or of their being treated in the Province of Quebec, in any smelter, mill, or refinery, the place and situation whereof has not been chosen, determined or approved as aforesaid, the Lieutenant-Governor in Council may exact from the owner, manager, holder, lessee, occupant, or operator of such mine thrice the amount of the duties hereinabove established.

For the purposes of this section, all mines and mineral workings in the Province of Quebec, occupied or operated by the same person, or under the same management or control, or the profits of which accrue to the same person, shall, for the purpose of determining whether there is liability for the payment of the duties hereinabove enumerated, be deemed to be one and the same mine, and not separate mines.

## BOUNTIES

## V.

*Making of Sulphur, Steel, and other By-products of Iron Ore:* An Act to encourage the making in the Province of sulphur, steel, and other by-products of iron ore was passed in March, 1939.

The Act provides for the payment, during a period of five years from January 1, 1940, to any miner or producer of metallic pyrites from deposits situated in the Province, of a premium of 2 cents per unit of metallic iron contained in each ton of iron ore recovered from the treatment, in the Province, of metallic pyrites. The recovered material containing iron oxide derived from the treatment of metallic pyrites must be delivered to and used in plants of the Province which manufacture pig-iron, steel, powdered iron, sponge iron, ferro-alloys or iron in other forms.

The Act further provides for the payment during the same period, to miners and producers of natural iron ore mined from deposits situated in the Province, of a premium of 2 cents per unit of metallic iron contained in every ton of iron ore. The ore must be delivered direct from the mine or concentrating mill to blast furnaces or other plants of the Province, manufacturing pig-iron or steel, and must be treated therein.

The determination of the iron content in the iron oxide and in the natural iron ores is effected on samples of ore dried at a temperature of 212° Fahrenheit. (Bill No. 45—March 28, 1939).

*Titaniferous Iron Ore Bounty:* A premium at the rate of one cent for each unit of iron metal contained in every long ton of iron ore, for a period of five years, to be computed from January 1, 1938, on condition that the titanic iron ore must contain at least 3 per cent of oxide of titanium and be converted into steel or malleable cast iron or metallic iron in a plant situated in Quebec, and that the total premiums paid to each mine owner must not exceed \$25,000 annually.

## SCHEDULE OF FEES

## VI.

|  |               |
|--|---------------|
| Miner's certificate .....                | \$10 00       |
| Registration of claims .....             | Free          |
| Mining licence, fee .....                | 10 00         |
| Annual rental .....                      | per acre 0 50 |
| Annual rental (gas and oil) .....        | per acre 0 10 |
| Mining concession, superior metals ..... | per acre 5 00 |
| Mining concession, inferior metals ..... | per acre 3 00 |

## REPRESENTATIVES

*Minister:* Hon. Onésime Gagnon.

*Deputy Minister:* L. A. Richard.

*Director:* A. O. Dufresne.

*Mine Assessor:* Eugène Larochelle.

*Mining Inspectors:*

R. H. Taschereau, Abitibi-Temiscamingue.

P. E. Bourret, North of St. Lawrence River.

Henri Girard, South of St. Lawrence River.

Marc Boyer, General.

*Chief of Administration:* J. X. Mercier.

*Mining Recorders:*

Y. Mercier, Quebec Office.

J. A. Turgeon, Amos Office.

P. H. Soulard, Noranda Office.

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More detailed information and copies of the Mining Laws pertaining to the Province of Quebec may be had on application to Bureau of Mines, Department of Mines and Fisheries, Quebec.

## ONTARIO<sup>1</sup>

### I.

Prior to the Union in 1840 of what are now the Provinces of Ontario and Quebec, and during nearly the whole period of that Union there was no statute law respecting the mining lands of the Crown. All was done by Order in Council.

The first legislation, "The Gold Mining Act of 1864" related only to gold mining and did not, as to other minerals, supersede the regulations. After Confederation, "The Gold and Silver Mining Act of 1868" was passed. This followed in the main the provisions of the previous act but applied to silver as well as gold.

In 1869 was passed "The General Mining Act of 1869," which superseded the previous acts and applied to all kinds of minerals. Various acts were passed during the succeeding years to provide suitable laws for the regulation of a rapidly growing industry. Discovery of minerals was not required until 1897, then was done away with in 1922. Until 1891 the minerals in lands alienated by the Crown for other than mining purposes were included in the grant. At that date (1891) it was enacted that all minerals should be reserved to the Crown whether so expressed in the grant or not, but in 1908 a change in the law gave the minerals to the surface owners, unless expressly withheld.

The principal statute concerning mines and the mineral industry of Ontario is the Mining Act (1927), Chapter 45, with Amendments to date.

Ontario owns and administers all the public lands within her boundaries, except Indian lands, which are under the control of the Government of Canada.

Mining lands are subject to the provisions of the Mining Act of Ontario, summarized below:

The usual form of title given by the Crown is a grant in fee simple. In Provincial Forests 10-year renewable leases only are given. The beds of navigable waters are neither patented nor leased, but licences of occupation may be issued authorizing the extraction of minerals.

Mining divisions are set apart covering the mineral areas, and a resident Mining Recorder is appointed for each. Up to the time of issue of Crown title, all agreements, transfers, and other documents respecting mining claims are required to be filed in the Recorder's office.

Mining Recorders have authority to settle disputes between licensees, subject to appeal to the Judge of the Mining Court. In cases of importance, appeal may be made from the mining judge to the ordinary courts of law.

The mineral area being mainly in the newer districts where the Land Titles Act is in force, the original instrument of title is forwarded to the Local Master of Titles for the district in which the land is situated. All subsequent transfers, etc., are also filed with the Local Master, who, when required will issue a certificate showing ownership in the person named therein.

Grants of land by the Crown for other than mining purposes convey also the minerals. There are a few exceptions, but this is the general rule.

<sup>1</sup> Prepared in collaboration with T. F. Sutherland, Deputy Minister, Ontario Department of Mines, Toronto, Ont.

## THE MINING ACT

## II.

The fundamental requirement for taking up Crown lands for mining purposes is the possession of a miner's licence, without which no one can prospect for minerals, acquire, or hold ungranted mining lands. All licences expire on the 31st day of March next after the date of issue, and may be obtained or renewed at a cost of \$5 for an individual, or for a larger sum by a mining company, proportionate to its capitalization. Failure to renew a licence automatically forfeits all mining claims depending on its validity.

Upon recommendation of the Minister, the time for renewal licences may be extended for any period not exceeding 10 days.

The licence of any person who has held a miner's licence continuously for 25 years or more, may be renewed without the payment of the prescribed fee providing application has been made prior to the expiration of the last renewal.

A licensee cannot in any one licence year in any one mining division or in territory not included in a mining division, stake out or apply for more than nine mining claims. All may be staked on his own licence but no more than three of such claims can be staked on behalf of any other licensee, nor can a total of more than six of such claims be staked on behalf of other licensees.

Discovery of mineral is not required.

A mining claim in unsurveyed territory consists normally of a square of 40 acres, 20 chains to a side, and is staked out by planting four posts, No. 1 at the northeast corner, No. 2 at the southeast corner, etc., and by connecting the posts with blazed lines, if in forest country, or by mounds of earth or rock where the land is bare. Bearings are astronomical. The Mining Act gives specific directions for staking claims.

The next step is to file an application for the claim with the Recorder for the mining division. The application is to be accompanied by a sketch showing as accurately as possible the position of the claim with reference to some known point previously established by survey, or in the absence of such, to some prominent physical feature such as a river or lake.

Fifteen days are allowed for recording, and one additional day for each additional 10 miles distance from the Recorder's office, but in no case more than sixty days. Metal tags impressed with the number of the mining claim are supplied by the Recorder, which the claim-holder must affix to his corner posts before expiry of the period for performing the first instalment of work.

A claim-holder must do 30 days' work within three months of recording the claim. Roads, cabins, etc., are not classed as mining work.

The winter season, namely, from November 16 to April 15, is excluded from the period within which the first 30 days' work must be done.

In each subsequent year computed from the date of recording, 40 days' work is required, and additional 10 days' in one or other of the years, five in all, to make up a total of 200 days' work. The work required, however, may be performed within a shorter period, if desired.

A claim-holder must, not later than 10 days after the expiry of each work period, file with the Recorder an affidavit showing performance of the work, giving particulars of the same. If in unsurveyed territory, he

must also have the claim surveyed by an Ontario Land Surveyor, and file a plan and field notes, two copies with the Recorder and one copy with the Department of Mines. The survey must be made in accordance with the instructions contained in the Act and regulations.

Any water-power capable at low-water mark, and in its natural condition, of producing 150 horse-power or upwards is not deemed part of the claim for the uses of the claim-holder.

Requirements as to work and survey having been met, the holder of a claim may at any time prior to one year after date on which the work is required to be completed, pay in the purchase money and receive a patent (fee simple) or lease, as the case may be. The price for a patent is \$2.50 per acre in unsurveyed and \$3 per acre in surveyed territory.

In Provincial Forests leases for a period of not more than 10 years, renewable, only are given, the first year's rental being \$1 per acre and for subsequent years, 25 cents. When payment of the rental is in arrears for a period of not less than 2 years, the lease ceases and the lands become vested in the Crown. Renewal leases are at the rate of 10 cents per acre.

In surveyed territory, that is where the Crown has subdivided the land into townships, concessions, and lots, a claim must consist of an aliquot portion of a lot. The area may be either 40 or 50 acres, according to the style of survey dividing the land into lots of 320, 100, or 200 acres each.

A permit to perform work in a Provincial Forest must be obtained from the Provincial Forester.

The Act provides for "placer" claims and dredging leases. It also makes special provision for prospecting for petroleum, gas, coal, and salt in the northern parts of the Province.

Permission is required to stake out any land vested in the T. & N.O. Railway Commission, reserved as a townsite, laid out into towns or villages, forming station grounds, right-of-way of railways and roads. No mining claim can be staked out on any land: (a) which, without reservation of the minerals, has been sold, located, leased, or included in a licence of occupation; (b) for which a *bona fide* application is pending in the Department of Lands and Forests under The Public Lands Act, or under any regulation made under that Act or other Act or regulation; (c) which has been reserved or set apart for summer resort purposes except where the Minister of Mines certifies in writing that in his opinion discovery of valuable mineral in place has been made; (d) where the land is required for the development of water power, for a highway, or other purpose in the public interest and the Minister of Mines is satisfied that a discovery of mineral in place has not been made thereon; (e) in Indian Reserve, except as provided by the Indian Lands Act; and (f) when land is staked out and applied for as a mining claim but for use other than as mining land or for the purposes of the mineral industry, when the claim may be cancelled.

#### CONTROL OF MINING OPERATIONS

On opening up a deposit of mineral, the operator becomes subject to Part VIII of the Act, which contains detailed regulations intended to protect the health and lives of miners and workmen.

The hours of work underground are limited to eight in any twenty-four. Mining Inspectors are appointed to see that the regulations are properly observed. An inquest is required wherever a fatal accident occurs, and an Inspector is entitled to be present and examine witnesses.

Sanitation; care and use of explosives; protection in working places; handling water; ladderways; raising or lowering persons; shaft equipment; hoisting; haulage, scaling; escapement shafts; signals; protection of machinery; boilers; dressing-rooms; aid to injured; prevention of dust; blast furnaces; electrical machinery and apparatus, are all regulated or provided for. There are special rules to combat silicosis in miners.

The Mining Act authorizes the Minister of Mines: (1) to acquire and operate diamond drills to be used in prospecting for ores or minerals either on Crown or privately owned lands; (2) to operate works for sampling, assaying and treating ores of the precious metals, also to purchase such ores. (Purchases of ore are in practice confined to parcels of gold ore extracted by prospectors in developing their claims.)

A special tribunal is provided, called the Mining Court of Ontario, presided over by a judge duly appointed, for the settlement on appeal to him from the decision of a Recorder, of all disputes regarding lands, whether patented or unpatented, arising under the Mining Act. The Judge has also power to grant easements, etc., on other lands for the proper working of any mine.

Penalties are provided for infringement of the Act and regulations for prosecution of offenders.

#### REFINING PROVISIONS

A *refinery* means any apparatus or equipment used for the refining, retorting, smelting, etc. of any ore, mineral or substance for the purpose of recovering or determining the quantity of gold, silver, platinum, and any other precious metal, and a *refinery licence* must be obtained before any person can operate such a refinery, unless a *certificate of exemption* has been issued. The *refinery licence* and the *certificate of exemption* expire on the 31st day of March.

#### SURVEYS OF MINING CLAIMS

Regulations governing the survey of mining claims by Ontario Land Surveys were approved by Order in Council dated May 24, 1937. Copies of same may be obtained on application to C. H. Fullerton, Surveyor General, Department of Lands and Forests, Toronto.

#### BORING PERMITS

1. The holder of a miner's licence is limited to three applications for boring permits, regardless of the mining division or divisions in which the land may be situate.

2. An application for a boring permit shall be endorsed by the Mining Recorder on the applicant's licence, and shall count the same as a mining claim in respect of the number of mining claims a licensee is entitled to stake out.

3. The holder of boring permits on three contiguous areas who has given notice to the Minister of Mines of his intention so to do, may perform, or cause to be performed, all the work required by the Mining Act of Ontario on one or two of them.

4. In computing the amount expended on working conditions, the holder of a boring permit may reckon as expenditure not more than 25 per cent of the cost of machinery placed upon the ground during the term of such permit for the development of the area.

5. Boring or diamond drilling may be allowed on working conditions at the rate of \$10 per foot.

6. The actual cost of surveying an area covered by a boring permit may be allowed on working conditions, but not more than \$150 shall be so allowed.

7. The holder of a boring permit shall not later than 30 days after the date on which the permit expires, deliver a report in writing to the Minister of Mines showing the work done under the permit during the term of the same, and giving the names and residences of the men who performed the work and the dates upon which each man worked in its performance. If boring or diamond drilling is done, the said holder shall also furnish to the Minister a sketch showing the position and depth of the holes, also if test pits are put down or shafts sunk, likewise information regarding the same, together with such particulars as the Minister may require regarding the depth, thickness, and nature of any deposit of economic character penetrated or met with in such holes.

8. The fee for filing an application for a boring permit staked out by a licensee on his own licence shall be \$5 and if staked out on behalf of another licensee the fee shall be \$10.

#### SAND AND GRAVEL

1. In these Regulations:—

“Sand” shall mean earth, clay, sand, gravel and stone, the property of the Crown in the right of the Province of Ontario.

2. Except as provided by The Beach Protection Act and by these Regulations, no person shall take or carry away any sand from any land under the waters of, or from any bar or flat in, any lake, river, or stream.

3. Subject to these Regulations and such other conditions and provisions as to him may seem expedient, the Minister may issue licences authorizing the removal of sand.

4. Every such licence shall be for one dredge or operating plant only and shall expire on the 31st day of December next after date of issue.

5. The applicant for a licence shall file a satisfactory plan of the area applied for, showing as nearly as may be the position, extent, and nature of the deposit or deposits, the depth of water covering the same at various points, the method or methods proposed for working or removing the sand, and any and all other particulars which the Minister may require.

6. The fee for a licence shall be \$100, payable on the issue of a licence or renewal thereof.

7. The licensee shall pay to the Crown a royalty or charge per cubic yard of sand removal at such rate or rates as may be specified in the licence, and payment of the same shall be made within 10 days after the end of every month.

8. At the time of payment of the royalty or charge the licensee shall transmit to the Minister a return showing the quantity of sand excavated or removed, sworn to by the licensee, his agent, or manager.

9. It shall be at all times lawful for the Minister or his agents to enter upon the premises or plant and have free ingress and egress to, from and over all buildings, erections, and vessels, and full and complete access to all books, accounts and letters used for or in connection with the operations, and may examine the same and take copies thereof or abstracts therefrom for all the purposes of the licence.

10. The licensee shall not export or permit to be exported from Canada any sand taken from the area covered by the licence without leave in writing from the Minister.

11. The Captain, master, or other person in charge of the vessel or vessels engaged in taking or removing sand under licence shall when and so often as required make a return on the form prescribed of the quantity or quantities of sand so taken or removed, giving dates, localities, and other particulars required, and if any such statement be false or incorrect in any material particular, the Minister may suspend or cancel the licence, and the licensee shall not be entitled to claim compensation for any loss or damage that may be sustained by reason of such suspension or cancellation.

12. The Minister, at his discretion, may issue a licence without giving the licensee exclusive rights to take sand from the area described therein, and may reserve the right to issue similar or other licences upon application therefor.

13. The licensee shall, to the satisfaction of the Minister, before commencing any work, give security for the due performance of the conditions of the licence in a bond of some duly licensed and approved Guarantee Company.

14. The Minister may suspend or cancel a licence at any time, and the licensee shall not be entitled to claim compensation for any loss or damage that may be sustained by reason of such suspension or cancellation.

15. The Minister may take or authorize to be taken from the area covered by the licence, without payment, any sand required for the uses of the Crown, and the royalty or charge mentioned in the licence shall not be payable in respect of any sand so taken.

16. A licence shall not be assigned, transferred, or sublet without the consent in writing of the Minister.

17. The licensee shall not interfere with navigation and shall be responsible for injury to public or private rights arising from the exercise of his powers under the licence.

18. All Regulations respecting the issue of licences for the removal of sand and gravel from lands under the waters of the Great Lakes, etc., made by virtue of The Public Lands Act, R.S.O., 1914, Chapter 28, are hereby revoked.

### PERMITS TO WORK ON MINING CLAIMS

Where the Minister of Lands and Forests has prohibited the performance of the first or other period of work required by the Mining Act on any mining claim wheresoever situated, not patented or leased, as the case may be; or has restricted the same to a stated period; or has given such permission subject to conditions or limitations designed to afford protection to timber or for any other reason;

And where application to the Provincial Forester or other officer authorized under the Forest Fires Prevention Act, 1930, is not made for a permit to perform such work; or,

Where a permit is issued and the required work is not performed and recorded on or before the 15th day of November, 1931, any such mining claim shall be subject to cancellation; and,

That in computing the time within which any further work described by the Mining Act is required to be done on any mining claim to which the foregoing regulations apply, the computation shall be made as from the said 15th day of November, 1931.

### THE UNWROUGHT METAL SALES ACT

A licence issued in pursuance of the Unwrought Metal Sales Act shall be dated on the day of the issue thereof and shall expire at midnight on October 31, then next ensuing. The fee payable for a licence shall be \$2.

A licence shall be renewed on production of the same on or before the date of the expiry thereof and on payment of a fee of \$2.

Every licensee shall keep a book of record in which he shall enter particulars of every purchase, sale, and disposal of metal by him within 24 hours after the same is made. Such book of record shall be at all times open to inspection and examination by the Minister of Mines, or anyone authorized by him.

Every licensee shall, without notice or demand and within 10 days after the end of every month, make up and deliver to the Minister of Mines a return containing the particulars of every purchase, sale or disposal of unwrought metal made by him each month.

The Minister of Mines may prohibit the carrying on of business by a licensee in any particular locality or for any particular period or during any stated hours of the day.

Offences against the Act shall be punishable by certain penalties as specified in the Act.

### NATURAL GAS CONSERVATION ACT

Gas shall be supplied to consumers according to the order of preference specified in the Act.

The heating equipment for which gas may be supplied shall include only such appliances as are constructed and equipped for heating purposes, ordinary steam power boilers used for steam heating shall not be supplied with gas.

Gas will be supplied for special purposes where, in the opinion of the Commissioner, natural gas is essential, a limited amount may be allotted under special permit. Permits shall expire on a date not later than October 1 of the year in which they are issued, but no gas may be sold or used for any purpose other than cooking and heating (as provided for in Section I of the Act) without a special permit.

Gas may be supplied under annual permit in accordance with the provisions of the Act.

Every person before prospecting for gas or acquiring by lease or otherwise rights in gas, whether acting on his own behalf or on behalf of others, shall obtain a licence from the Natural Gas Commissioner, and the fee for such licence shall be \$5.

Every owner of a drilling rig shall, before using the same, obtain from the Natural Gas Commissioner a licence for each rig operated, and the fee for such licence shall be \$5.

The owner of every drilling rig shall collect samples of rock cuttings in every well drilled, at about every five feet; such samples shall be plainly marked with the identity of the well, date, depths, etc., on the receptacles furnished by the Commissioner, and upon completion of the well the same shall be forwarded to the Commissioner, along with a log of the well on a form provided by the Commissioner on application.

Every person or company producing, transmitting (by pipe-line), or distributing natural gas shall:

- (a) Obtain a licence from the Commissioner for each class of operation. The fee for such licence shall be \$10, but this fee shall not apply to any person or company, producing, transmitting, or distributing, as the case may be, less than one million cubic feet per annum, based on the previous year's business.
- (b) Furnish the Commissioner with plans on a scale not smaller than one mile to one inch, showing the location of all wells drilled or to be drilled, meters and regulators (excepting consumers), also pipes and pipe-lines with their respective diameters; also plans of alterations as made.

Every licence issued by the Commissioner shall expire on the 31st day of December of the year in which the same is issued and may be renewed from year to year upon payment of the licence fee.

If gas is encountered in any drilling operations in any district where other minerals or substances are being sought for, such operations shall come under these regulations and shall not be continued until a licence has been procured.

No drilling for gas shall be done upon any highway without the permission of the Commissioner.

The above are only a few of the various regulations. The reader is referred to the official text for detailed information on this subject.

## WELL DRILLERS ACT

1. All owners or operators of drilling rigs before using the same shall obtain a licence for each drilling rig in operation from the Natural Gas Commissioner before drilling for oil or natural gas, such licence to expire on the last day of the year for which it is issued, and no drilling operations shall be carried on without a licence.

2. Licence fees for drilling rigs shall be \$5.

3. Before drilling any well for oil or gas, the owner or operator of the drilling rig shall notify the Natural Gas Commissioner at least two weeks before commencing operations and show the location of such well on a form to be obtained from the Commissioner (Form 7), in order that any instructions regarding the collecting of geological data may be issued.

4. The owner or operator of every drilling rig shall forward to the Natural Gas Commissioner:

- (a) Unwashed samples, as collected, of rock cuttings in every well drilled, taken at about every five feet; such samples to be plainly marked with the identity of the well, date, depths, etc., on the receptacle furnished by the Commissioner on application.
- (b) A log of the well on a form to be supplied by the Commissioner (Form 11) on application and showing a definite location and all other information as set out on such form.
- (c) Samples of all mineral water encountered at different depths (in quart bottles or other suitable containers) plainly marked with the location of the well and the depth and formation from which it originated.

5.

- (a) Should anyone fail to carry out any of the conditions of these regulations, it shall be deemed a breach of these regulations.
- (b) Anyone who disobeys any regulations made under this Act may have his licence cancelled at the option of the Minister.

## PLUGGING REGULATIONS

An abandoned well shall not be plugged until the owner or other person in possession or control thereof shall have given the Commissioner at least two weeks' notice by registered mail of the date on which the plugging is to be done, so as to enable the Commissioner or Inspector to be present and approve the method of plugging; and in the case of a gas well, he shall, at least two weeks immediately before such date, close in the same in such a manner that no gas may escape.

The Regulations contain detailed instructions on how to proceed in plugging wells under various conditions.

## MINING TAX ACT

1. On patented or leased mining lands in unorganized territory, there is a tax of 5 cents per acre per annum. Failure to pay this tax for two years or more, renders the land liable to resumption by the Crown.

2. Taxation is levied on the annual profits of mines, at the rate of 3 per cent on all profits in excess of \$10,000 up to \$1,000,000; 5 per cent on profits from \$1,000,000 to \$5,000,000, and 6 per cent on the excess above \$5,000,000. In ascertaining profits, all working costs and expenditures are deducted from the gross revenue. Dividends are not reckoned as costs and no allowance is made for exhaustion of the mine. Mines and mining work are largely exempt from local taxation, but where a mine is situated in a municipality a specified proportion of the tax on profits is payable to the municipality.

The Mining Tax Act also imposes a tax of two cents per thousand cubic feet on natural gas, but allows a rebate of 75 per cent if the gas is consumed in Canada.

### LIST OF ACTS AND REGULATIONS

#### III.

- The Mining Act, R.S.O., 1927, c. 45, and amendments to date.
- The Mining Tax Act, R.S.O. 1927, c. 28, and amendments to date.
- The Iron Ore Bounty Act, 1937, c. 34.
- The Natural Gas Conservation Act, R.S.O. 1927, c. 47, and amendments to date.
- The Well Drillers Act, R.S.O. 1927, c. 48, and amendments to date.
- The Damage by Fumes Arbitration Act, R.S.O. 1927, c. 49.
- The Unwrought Metal Sales Act, R.S.O. 1927, c. 50.
- The Fuel Supply Act, R.S.O. 1927, c. 51.
- The Railway Act, R.S.O. 1927, c. 224, and amendments to date, also R.S.O. 1927, c. 170.
- The Beach Protection Act, R.S.O. 1927, c. 298, and amendments to date.
- The Ontario Companies Act, 1927, and amendments.
- The Ontario Extra Provincial Corporation Act.
- The Ontario Companies Information Act, 1928.
- The Ontario Securities Act, 1930, and amendments to date.

#### *Regulations*

- Regarding the Survey of Mining Claims.
- Regarding Boring Permits.
- Regarding the removal of Sand and Gravel from Lands of the Crown under Water.
- Regarding Forest Reserves (now Provincial Forests).
- Regarding Permits to work on Mining Claims.
- Regulations under the Unwrought Metal Sales Act.
- Regulations under Natural Gas Conservation Act.
- Regulations under The Well Drillers Act.

### ROYALTIES

#### IV.

There are no royalties on ores mined in Ontario, but charges are levied on sand and gravel dredged from the lands of the Crown under water.

## BOUNTIES

## V.

The Iron Ore Bounty Act, 1937, c. 34, provides a bounty of two cents per unit of metallic iron in the long ton of low-grade iron ore beneficiated in Ontario, so as to be suitable for use in the blast furnace, or on natural ore of commercial quality smelted in Ontario. The bounty is payable for a period of 10 years starting January 1, 1937.

The Iron Ore Bounty Act, 1930, has been repealed.

## SCHEDULE OF FEES\*

## VI.

|   |         |
|---|---------|
| 1. For a miner's licence or renewal thereof for an individual. (See sections 25, 188).....  | \$ 5 00 |
| 2. For an individual miner's licence issued on or after 1st October in any year. (See sections 25, 188).....  | 3 00    |
| 3. Every renewal of a miner's licence for a mining partnership where there are not more than two partners.....  | 5 00    |
| 4. Every renewal of a miner's licence for a mining partnership where there are more than two partners but not more than five partners.....  | 10 00   |
| 5. Every renewal of a miner's licence for a mining partnership where there are more than five partners.....   | 20 00   |
| 6. The fee for a miner's licence or renewal thereof payable by a duly incorporated company, or by a company licensed under <i>The Extra Provincial Corporations Act</i> to carry on business in Ontario, shall be based on the authorized capital; or in the case of a company, shares of which have no par value, shall be based on the actual value of the shares as shown by affidavit of the president or secretary of the company, or as may be determined by the Minister, according to the following scale, namely,— |         |
| (a) Where the capital so authorized, ascertained, or determined is not over \$40,000.....   | 25 00   |
| (b) Where the capital so authorized, ascertained, or determined is over \$40,000 but does not exceed \$100,000.....   | 50 00   |
| (c) Where the capital so authorized, ascertained, or determined is over \$100,000 but does not exceed \$500,000.....  | 75 00   |
| (d) Where the capital so authorized, ascertained, or determined is over \$500,000 but does not exceed \$1,000,000.....  | 100 00  |
| (e) Where the capital so authorized, ascertained, or determined is over \$1,000,000 for each additional \$1,000,000 or fraction thereof.....  | 100 00  |
| Provided that where the capital of a company authorized, ascertained or determined is over \$1,000,000, and it is by affidavit of the president or secretary thereof proved to the satisfaction of the Minister that any part of such capital is actually being used in some other business enterprise and not in mining business within Ontario such part may be deducted in fixing the fee payable as above set forth.  |         |
| 12. Whenever a miner's licence for a company is issued on or after 1st October in any year, the fee shall be only one-half the amount above specified.  |         |
| 13. For recording each claim or boring permit staked out by a licensee on his own licence. (See sections 60, 188).....  | 5 00    |
| 14. For recording each claim or boring permit staked out by a licensee on behalf of another licensee. (See sections 60, 188).....   | 10 00   |

\*The amendments of 1933 substitute items 3 to 6 inclusive for former schedule items 3 to 11 inclusive.

|  |       |
|--|-------|
| 15. For examining claim record book, per claim; fee to be for recorder's own use. (See sections 10, 188) .....   | \$ 10 |
| 16. For inspecting any document filed with a mining recorder; fee to be for recorder's own use. (See sections 11, 188).....  | 10    |
| 17. For recording a dispute, per claim. (See sections 63, 188).....  | 10 00 |
| 18. For certificate of record of claim. (See sections 65, 188).....  | 1 00  |
| 19. For certificate of performance of working conditions. (See sections 80, 188) .....   | 1 00  |
| 20. On filing appeal from recorder's decision. (See sections 130, 188).....  | 10 00 |
| 21. On filing appeal from Judge's decision. (See sections 147, 188).....   | 20 00 |
| 22. For filing transfer or agreement to sell or transfer the whole or part of a mining claim, quarry claim, boring permit, power of attorney, revocation of power of attorney, copy of writ of execution, discharge of execution, or any other instrument affecting any recorded claim, right or interest, per claim. (See sections 75, 110, 188)..... | 2 00  |
| 23. For a "Substituted Miner's Licence." (See sections 30, 188).....   | 1 00  |
| 24. For special renewal licence under section 88, to save forfeiture, twice the prescribed licence fee.  |       |
| 25. For filing report of work under section 88, to save forfeiture, per claim....  | 3 00  |
| 26. For certificate relieving from disqualification under section 58.....  | 20 00 |
| 27. For recording extension of time for performing working conditions or making application and payment for patent or lease, per claim. (See sections 82, 88, 188).....  | 3 00  |
| 28. For recording an order or judgment of the Judge, or made on appeal from him, per claim. (See sections 79, 188).....  | 1 00  |
| 29. For recording a certificate that interest in claim or other recorded right or interest is called in question, per claim. (See sections 79, 188).....   | 10 00 |
| 30. For filing certificate of mining partnership or certified copy thereof. (See sections 114, 188).....   | 1 00  |
| 31. For recording certificate of revocation of agent and appointment of new agent for mining partnership. (See sections 114, 188).....   | 1 00  |
| 32. For recording transfer of share or shares in a mining partnership. (See sections 114, 188).....  | 25    |
| 33. For copies or certified copies of any document, paper or record obtained from any officer, per folio.....  | 10    |
| 34. Additional fee for the recorder's own use with every application for a mining claim or boring permit, including swearing the affidavit, if sworn before the recorder, and for every other affidavit sworn before a recorder....  | 25    |
| 35. For abstract or copy of entries in record book respecting any mining claim, per folio (100 words) 10 cents, minimum charge per claim.....  | 25    |
| 36. For filing an application for a mining claim under section 63.....   | 10 00 |

## REPRESENTATIVES

- Minister*—Hon. Paul Leduc.  
*Deputy Minister*—H. C. Rickaby.  
*Mine Assessor*—G. R. Mickle.  
*Natural Gas Commissioner*—R. B. Harkness.  
*Chief Geologist*—M. E. Hurst.  
*Chief Inspector of Mines*—D. G. Sinclair.

## MINING RECORDERS—

- W. C. Sharp, Elk Lake.  
 J. A. Alexander, Fort Frances.  
 N. J. McAulay, Haileybury.  
 J. D. C. Smith, Kenora.  
 M. A. Story, Nakina.  
 Jos. P. Boldue, Port Arthur.  
 W. N. Miller, Sault Ste. Marie.  
 H. E. Holland, Sioux Lookout.  
 M. F. O'Rourke, South Porcupine.  
 T. A. McArthur, Sudbury.  
 H. G. Ginn, Swastika.  
 Department of Mines—Toronto.

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More detailed information and copies of the Mining Laws and Regulations for Ontario may be had on application to the Deputy Minister, Ontario Department of Mines, Toronto, Ontario.

## MANITOBA<sup>1</sup>

### I.

The Province of Manitoba has since July 15, 1930, administered its own natural resources. Prior to that date the authority for the leasing and disposal of mineral lands was in the hands of the Government of the Dominion of Canada.

The Department of Mines and Natural Resources was created in Manitoba on March 9, 1928, in order to assist the development of resources other than those of agriculture.

The Province has had a Mines Act since 1897, which was consolidated in 1913 and amended in 1927 (S.M. Chapter 38), 1928 (S.M. Chapter 41), and 1929 (S.M. Chapter 35). In 1930, the Legislative Assembly of Manitoba enacted the Mines Act (S.M. Chapter 27) repealing the Act of 1913 but retaining all regulations in force under that Act as part of the new act. Amendments to the Act were made in 1932, 1933, and 1934.

Mineral lands and rights are administered by the Mines Branch, Department of Mines and Natural Resources, subject to the provisions of the Mines Act (S.M. Chapter 27), 1930. Regulations under this Act put into force by Order in Council govern the administration and leasing of—

- (a) Mining claims—gold, silver, copper, zinc, etc.
- (b) Boring locations—natural gas, oil shale, petroleum, coal, and salt.
- (c) Quarrying locations—granite, limestone, marble, slate, or any building stone, gypsum, gravel, marl, peat, sand, or volcanic ash.

These regulations are applicable to all minerals on Crown lands in, upon, or under which the minerals have been reserved to the Crown, and acquired under "The Mines Act" and regulations made thereunder. Where, prior to the coming into force of "The Mines Act," mining rights were acquired by entry or by lease under the provisions of the Acts of the Parliament of Canada, known as "The Dominion Lands Act," and the regulations made thereunder, such mining rights and all matters appertaining thereto, are deemed to be subject to these regulations.

## THE MINES ACT

### II.

In summarizing the provisions of the Mining Law of Manitoba the penalty clauses are omitted and attention is confined to the clauses describing the practical steps to be taken; that is to the part which refers to property rights, following up all phases through which the land passes from the moment of its leaving the public domain to its final acquisition by a private individual.

In the matter of mining rights in Manitoba, *aliens* enjoy the same privileges as do British subjects.

<sup>1</sup> Prepared in collaboration with George E. Cole, Director, Mines Branch, Manitoba Department of Mines and Natural Resources, Winnipeg, Manitoba.

### PROSPECTING LICENCES

A prospecting (miner's) licence is necessary before beginning search for minerals. This licence is issued at a cost of \$5 to any person over 18 years of age, and at a cost of \$100 (according to capitalization up to \$1,000,000). For each additional \$1,000,000 or fraction thereof \$100 to any company incorporated or licensed under the laws of Manitoba to transact business in Manitoba.

The prospecting licence is good from the date of the issue until the 31st day of August. Upon the recommendation of the Director, the Minister may, before the 31st day of August in any year, extend the time for renewing licences for any period not exceeding one month.

The licence is effective throughout the Province and applies to any vacant Crown lands and upon all lands where the mining rights have been reserved to the Crown, with the exceptions given below.

Subject to certain provisions and rules, the holder of a mineral location may work or mine on such location, but before a lease is issued no person can ship, send, carry away or permit to be shipped, etc., from the location from which the same has been won any ore, mineral or mineral-bearing substance without permission.

Except where the Minister is satisfied that a discovery of valuable mineral in place has been made, no mineral location shall be staked out or recorded upon any of the following—

- (a) Lands for townsite, settlement, or parish.
- (b) Lands laid out into town or village lots.
- (c) Lands used for railways and highway purposes.
- (d) Lands reserved for summer resort purposes and for provincial game preserves and bird sanctuaries.

No land shall be prospected or staked:

- (a) Which is under staking or record as a mineral location which has not lapsed, been abandoned, cancelled or forfeited.
- (b) Which has been withdrawn from prospecting or staking, or declared to be not open to prospecting.
- (c) Which is required for the development of water power or some other purpose in the public interest.
- (d) Which, without reservation of the minerals, has been sold, etc., or included in a permit of occupation.
- (e) Which is in an Indian Reserve, a Dominion Park, or other reservation made by the Dominion Government.

Any mineral location used for purposes other than that of mining or for the mineral industry shall be cancelled.

Lands on which occur natural deposits of soluble salts of sodium, potassium, and magnesium are withdrawn from disposal.

No prospecting is permitted on private grounds except with the written consent of the owner. In case of dispute, the resident engineer shall determine the extent of the land which is to be exempted, and adequate security must be given, to the satisfaction of the recorder, as to possible damages, before entry can be made.

## MINING CLAIMS AND PLACER CLAIMS

### PART I. MINING CLAIMS

The following regulations apply to the disposal of all claims containing gold, silver, and all naturally occurring useful minerals other than placer deposits, or coal, natural gas, oil shale, petroleum and salt, or granite, limestone, marble, slate, and any building stone, or clay, gravel, gypsum, marl, peat, sand, and volcanic ash.

In unorganized territory each claim must be in the form of a square, as nearly as possible, with boundary lines running north-south, and east-west, astronomically, and not exceeding 1,500 feet on each side, and of an area of 51.65 acres.

In organized territory surveyed into sections of 640 acres, every claim shall consist of a so-called legal subdivision and shall consist of about 40 acres, but no such claim can be located partly in one legal subdivision and partly in another.

A licensee cannot in any one licence year in any one division stake out or apply for more than nine claims. All nine of such claims may be staked on his own licence but not more than three of such claims may be staked on behalf of any other licensee, nor should a total of more than six of such claims be staked on behalf of other licensees.

Claims must be marked by properly inscribed stakes at each angle, and well blazed lines.

Notice of the staking must be given within 15 days following, to the mining recorder for the division in which the claim is located. If the claim is situated more than 10 miles in direct line from the office of the recorder, an additional day for recording is allowed for each additional 10 miles or fraction thereof; but in no case should the time for recording be more than 60 days. In the event of the claim being more than 200 miles from the office of the recorder, provision is made for appointing an "emergency recorder."

A certificate of record may be granted on application, when a claim has been recorded for 60 days, and all necessary regulations have been complied with.

There are regulations dealing with the abandonment of a claim, its relocation, and the staking of other claims after abandonment.

#### *Rights of Licensee*

The interest of a holder of a claim shall, prior to the issue of a lease, be deemed to be a chattel interest, equivalent to a lease of the minerals in or under the land for one year, and thence from year to year, subject to the performance and observance of all the terms and conditions of these regulations.

Every licensee shall be given by the recorder one free assay coupon on recording a claim, and one additional free assay coupon on recording each 25 days' work, and on forwarding, charges prepaid, samples from the claim to the Provincial Assayer, he is entitled to have assays made without charge for one of the following metals: gold, silver, copper, lead, or iron; and for two coupons one assay for nickel, zinc, or tin.

The holder of adjoining claims, not exceeding nine in number, may comprise the claims in one group and the work required for a certificate of work may be performed on any one or more of such group.

Any licensee, having duly located and recorded a claim, shall be entitled to hold it for a period of one year, and thence from year to year without the necessity of re-recording, provided that within 5 years immediately following the recording thereof, he shall perform or cause to be performed thereon work which shall consist of stripping, trenching, or opening up mines, sinking shafts or test pits, or other actual mining operations to the extent of 125 days' work of not less than 8 hours per day, which work shall be performed as follows: At least 25 days' work within one year immediately following the recording of the claim and not less than 25 days' work in each succeeding year, and at the completion of the 5 years' work he shall apply for a lease in accordance with the necessary regulations.

With the approval of the Director, boring by diamond or other core drill may count as work with the rate of days' work per foot of boring dependent upon the diameter of the core produced, and work by a machine drill operated by compressed air may count as work at the rate of 2 days' work for each man necessarily employed upon each drill so operated.

The survey of a claim may be accepted in lieu of representation of work on the claim for the year in which the survey is made on the basis of 25 days, and an additional allowance may be made in certain divisions if the survey is made within one year from the date upon which the claim was recorded. Survey by a recognized geo-electrical or geophysical method may be counted as work at the rate of one day's work for each man necessarily employed in such survey.

Roads, houses, etc., are not classed as mining work.

Provision is made for the extension of time for the performance of work, under special conditions.

Provision is also made for compensation to the owner of the surface rights of lands being prospected, etc.

A certificate of improvements is granted after the requirements as to work (125 days) and survey have been met.

A lease is granted within three months after the issue of a certificate of improvements.

The holder of a claim by lease, located on vacant Crown lands, is entitled to all minerals within the meaning of the regulations, found in place. The use of the surface of a claim is restricted to the requirements of the operations. But surface rights may be obtained subject to specific conditions. The surface permit is for one year and the fee not less than \$1 per acre.

The lease of a claim is for a term of 21 years and renewable. The fee for the issue of the lease is \$10. The rental is at the rate of \$1 an acre or fraction thereof, provided the claim does not exceed the maximum area of 51.65 acres—but in no case can it be less than \$5 an acre.

The procedure for the transfer of a mineral claim is dealt with under the regulations.

The mineral rights under highways and road allowances may be leased subject to the provisions of the mining regulations.

## PART II. PLACER CLAIMS

The Act provides for the staking of placer claims, and the provisions of the regulations are very similar to those for the staking of a claim upon the discovery of valuable mineral in place.

The Act as amended in 1927 provided for the making of general rules for the protection of workmen engaged in and about mines. Rules under the Mines Act passed by Order in Council effective as of date November 1, 1928, regulate the use and care of explosives, the installation of proper ventilation and sanitary conveniences, protection in working places, provision for suitable dressing rooms, equipment, and means of furnishing aid to the injured, safety in hoisting and lowering equipment, use of electrical power, fire prevention precautions, as well as providing for the inspection of mines, mine works, and all matters in connection therewith.

On opening up a deposit of mineral the operator becomes subject to these rules under the Mines Act.

The "Provincial Lands Act," S.M. c. 32, 1930, was repealed in 1934 and was replaced in the same year by "The Crown Lands Act," S.M. c. 7, wherein all mines and minerals are reserved to the Crown out of every disposition of Crown land unless there is express provision to the contrary.

All permits or leases are subject to the provision that all ores or minerals mined shall be treated and refined within the Dominion of Canada, so as to yield refined metal or other product, suitable for direct use in the arts without further treatment.

A Mining Board consisting of three members, or such other number as, from time to time, may be named by Order in Council, has power to hear and determine all disputes arising between licensees as to the existence and forfeiture of mineral claims.

The Mines Act provides for the making of statistical returns.

## BORING CLAIMS

These regulations apply to petroleum, natural gas, oil shale, coal, or salt upon or under Provincial lands or such lands where the mineral rights have been reserved to the Crown.

A licensee may obtain a "Boring Permit," granting him the exclusive right for a period of one year to prospect for the above-mentioned minerals, by

- (a) Staking out, or having another licensee stake out on his behalf and in his name an area;
- (b) Furnishing an application within 15 days after the staking out;
- (c) Furnishing a plan showing the situation of the lands and a description of same;
- (d) Proving within 30 days that he has paid or secured to the owner of the surface rights, if any, the compensation agreed upon or determined.

The area of land included in a Boring Permit is limited to 1,920 acres, and the length of the location must not exceed three times its breadth.

The fee is \$5 for an application and 10 cents rental for each acre applied for. The application is renewable.

The applicant must commence prospecting operations within 90 days of the acceptance of his application.

An expenditure of not less than \$2.50 per acre must be incurred by actual boring, etc., during the term of the permit.

Permission to enter must be obtained when the surface rights of a location are covered by a timber licence, grazing lease, mineral claim, or other form of terminable grant.

On the discovery of one or more of the substances covered by these regulations, the holder of a permit obtains a lease for a period of 21 years, at a rental not less than \$1 per acre, and subject to an annual expenditure of not less than \$2.50 per acre. The lease is renewable.

All valuable minerals other than those covered in these regulations are reserved to the Crown.

A lease may be obtained for such portion of the surface rights as may be considered necessary for the efficient and economical working of the location.

### QUARRYING CLAIMS

These regulations deal with granite, limestone, marble, slate, or any building stone, and with clay, gravel, gypsum, marl, peat, sand, or volcanic ash.

A licensee may obtain a "Quarrying Location" for the purpose of quarrying out, mining, or removing stone, or other material above-mentioned by,

- (a) Staking out or having another licensee stake out on his behalf and in his name;
- (b) Furnishing an application for a lease of the quarrying location accompanied by a declaration to the effect that the land comprised within the location contains in merchantable quantity the material of the claim applied for.

The fee for an application for a lease of a quarrying location is \$5, and the annual rental is decided by the Minister, but must not be less than \$1 per acre.

The location is limited to one quarrying location in any one year.

The lease conveys the rights only to the minerals covered by these regulations.

The lessee is limited to such surface rights as may from time to time be absolutely necessary for the removal of the material covered by the rights granted.

Permission to enter must be obtained when the surface rights of a location are covered by a timber licence, grazing lease, mineral claim, or other form of terminable grant.

In the case of the mineral rights having been disposed of by the Crown, no lease for quarrying purposes may be granted unless the application has been approved by the Minister and unless he is satisfied that such lease will not unduly interfere with mining operations.

The term of the lease is 10 years and is renewable.

An expenditure of not less than \$2.50 per acre must be incurred in actual quarrying operations during the term of the lease.

## TREATMENT OF ORES

All permits or leases are subject to the provision that all ores or minerals mined from locations described in such permits or leases must be treated and refined within the Dominion of Canada, so as to yield refined metal or other product suitable for direct use in the arts without further treatment. Provision is made for exemption from the operation of this section for such period of time as may seem proper.

## MINING BOARD

The Mining Board consists of three members or more as appointed by the Lieutenant-Governor in Council and has power to hear and determine all disputes, and settle all difficulties, etc., between licencees which arise under the Mining Act or which are referred to it.

## MINING TAXATION

The "Mining Tax Act, 1933" provides that every mineral claim shall be liable for the payment of an annual tax of \$5.

The Income Taxation Act applies to companies or individuals operating mines in Manitoba. The tax is from 5 to 10 per cent on the net taxable income. Various deductions are allowed such as the tax payable to the Dominion with respect to any profits, development expenses may be amortized at the rate of \$1 per ton, and depletion is allowed at 33½ per cent of the net operating income before depletion. A company becomes taxable immediately upon receipt of a net income.

\* Where the corporation or joint stock company is a mining company operating a metalliferous mine the rate of tax applicable to such corporation or company on its income shall be the following:

|  |             |
|--|-------------|
| Where the income is not in excess of \$100,000 on all the income.....                              | 5 per cent  |
| Where the income is in excess of \$100,000 but not in excess of \$400,000 on all the income.....   | 6 per cent  |
| Where the income is in excess of \$400,000 but not in excess of \$700,000 on all the income.....   | 7 per cent  |
| Where the income is in excess of \$700,000 but not in excess of \$1,000,000 on all the income..... | 8 per cent  |
| Where the income is in excess of \$1,000,000 but not in excess of \$1,300,000.....                 | 9 per cent  |
| Where the income is in excess of \$1,300,000 on all the income.....                                | 10 per cent |

## LIST OF ACTS

## III.

The Mines Act, S.M. 1930, c. 27, and amendments to date.  
 Rules under "The Mines Act," governing mine operations. (O.C. Nov. 1, 1928.)

(\*Abstract from "An Act to Amend the Income Taxation Act," Assented to March 15, 1933.)

Regulations under "The Mines Act," governing disposal of:

- (a) Mineral claims and placer claims.
- (b) Boring claims.
- (c) Quarrying claims.

The Crown Lands Act, S.M. 1934, c. 7, and amendments to date.  
 The Well Drilling Act, S.M. 1937, c. 50.  
 The Mining Tax Act, S.M. 1933, c. 27, and amendments to date.  
 The Securities Act, S.M. 1928, c. 46, and amendments to date.

#### ROYALTIES

- IV. None.

#### BOUNTIES

- V. None.

#### SCHEDULE OF FEES

- VI.
- |  |         |
|--|---------|
| 1. A miner's licence or renewal thereof for an individual.....   | \$ 5 00 |
| 2. An individual miner's licence issued on or after the 1st March in any one year.....   | 3 00    |
| 3. A miner's licence or renewal thereof for a company where the capital authorized, ascertained, or determined by letters patent or licence does not exceed \$40,000 .....   | 25 00   |
| 4. A miner's licence or renewal thereof for a company where the capital authorized, ascertained, or determined by letters patent or licence is over \$40,000 but does not exceed \$100,000 .....   | 50 00   |
| 5. A miner's licence or renewal thereof for a company where the capital authorized, ascertained, or determined by letters patent or licence is over \$100,000 but does not exceed \$500,000 .....  | 75 00   |
| 6. A miner's licence or renewal thereof for a company where the capital authorized, ascertained, or determined by letters patent or licence is over \$500,000 but does not exceed \$1,000,000.....   | 100 00  |
| 7. Each additional \$1,000,000 or fraction thereof.....  | 100 00  |
| (Provided that in cases where the authorized, ascertained or determined capital of any such company is over \$1,000,000 and it is, by affidavit of the president or secretary thereof, proven to the satisfaction of the Minister or the Director that any part of such capital is actually being used in some other business enterprise and not in mining on Crown lands, such part may be deducted in fixing the licence fees herein provided for.)  |         |
| 8. The fee for a miner's licence or a renewal thereof payable by a duly incorporated company or by a company licensed under The Companies Act to carry on business in Manitoba shall be based on the authorized capital; or in the case of a company, shares of which have no par value, shall be based on the actual value of the shares as shown by affidavit of the president or secretary of the company or as may be determined by the Minister according to the scale set out in items 3 to 7 inclusive. |         |
| 9. Whenever a miner's licence for a mining partnership or for a company is issued on or after the 1st March in any year, the fee shall be only one-half the amount above specified.  |         |
| 10. A substitutional miner's licence.....  | 1 00    |
| 11. A special renewal licence under Section 65 to save forfeiture, twice the prescribed licence fee.   |         |

|  |       |
|--|-------|
| 12. Recording each claim, located by a licensee on his own licence.....  | 5 00  |
| 13. Recording each claim located by a licensee on behalf of another licensee..   | 10 00 |
| 14. Recording extension of time of performance of work.....  | 2 00  |
| 15. Recording with the mining recorder a transfer, agreement of sale, option,<br>power of attorney, revocation of a power of attorney, copy of a writ<br>of execution, or any other instrument affecting any recorded claim,<br>right or interest, for each claim..... | 2 00  |
| 16. A substitution record of entry.....  | 2 00  |
| 17. Recording a dispute, per claim.....  | 10 00 |
| 18. Recording order of Mining Board or of a Judge.....   | 2 00  |
| 19. For a certificate of work .....  | 2 00  |
| 20. Application for a certificate of improvements.....   | 2 50  |
| 21. Application for a lease of mineral rights.....   | 10 00 |
| 22. Filing report of work under Section 66 to save forfeiture.....   | 5 00  |
| 23. Filing application for certificate of improvements to save forfeiture under<br>Section 66, per claim.....  | 5 00  |
| 24. Filing application for lease to save forfeiture, per claim.....  | 15 00 |
| 25. A grouping certificate.....  | 5 00  |
| 26. Certificate of record of a claim.....  | 2 60  |
| 27. Registration of an assignment of a lease.....  | 3 00  |
| 28. Copies or certified copies of any document or record obtained from any<br>officer per folio of 100 words.....  | 30    |
| 29. An abstract of the records of a claim,<br>For first entry.....   | 25    |
| For each additional entry.....   | 10    |
| 30. An examination of the record book, per claim.....  | 10    |
| 31. Inspecting any documents filed with a mining recorder.....   | 10    |
| 32. Rental of a claim, for the first period of 21 years, per acre.....   | 1 00  |
| but in no case the charge shall be less than.....  | 5 00  |
| 33. Rental of excess area, for first period, per acre.....   | 5 00  |
| 34. Rental for renewal period, for period of 21 years, per acre.....   | 2 00  |
| 35. Rental of excess area for renewal period, per acre.....  | 10 00 |
| 36. Rental for surface lease, for each acre, per annum, shall be not less than   | 1 00  |
| but in no case shall charge be less than.....  | 5 00  |

## REPRESENTATIVES

|  |                       |
|--|-----------------------|
| <i>Minister</i> .....                                    | Hon. J. S. McDiarmid. |
| <i>Deputy Minister</i> .....                             |                       |
| <i>Director</i> .....                                    | Geo. E. Cole.         |
| <i>Mining Inspector</i> .....                            | W. B. Payton.         |
| <i>Chief Mining Recorder</i><br>(Winnipeg District)..... | J. G. Webber.         |
| <i>Mining Recorder</i><br>(The Pas District).....        | W. B. McLellan.       |

More detailed information and copy of the Mines Act of Manitoba and regulations made thereunder, may be obtained on application to the Director, Mines Branch, Department of Mines and Natural Resources, Winnipeg, Manitoba.

## SASKATCHEWAN<sup>1</sup>

### I.

The Province of Saskatchewan has since October 1, 1930, administered its own natural resources. Previous to that time the authority for the leasing and disposal of mineral lands was in the hands of the Government of the Dominion of Canada.

The administration of the mineral resources of the Province was taken over in 1930 by the Department of Natural Resources.

The Act creating Saskatchewan as a province came into force September 1, 1905. Previously Saskatchewan was part of the Northwest Territories, and its first mining act dates back to 1898 when "The Coal Mines Regulations Ordinance" was passed. (Consolidated Ordinance of the Territories, No. 9 of 1898, c. 16.) These regulations provided for the safety, working conditions, employment and personnel in the coal mines. They were replaced in 1909 by "The Coal Mines Act," R.S.S. 1909, c. 23, and in 1917 by "The Mines Act," R.S.S. 1917, c. 10, which provided general regulations for all mines. The Act was amended and consolidated in 1920, The Mines Act, R.S.S. 1920, c. 178, and again in 1930, "The Mines Act, R.S.S." 1930, c. 222. "The Mines Act" was replaced in 1932 by "The Coal Mines Safety and Welfare Act." R.S.S. 1932, c. 65.

In 1934 an Act was passed to regulate the working of certain mines and known as "The Mines Regulation Act 1934." R.S.S. 1934, c. 46; and also an Act respecting the licensing and regulation of coal mines, known as "The Coal Mines Licensing and Regulation Act 1934" R.S.S. 1934, c. 47. Various other Acts have been passed in recent years to provide special regulations, such as "The Oil and Gas Wells Act 1936."

After taking over the control and administration of the natural resources of the Province, special legislation had to be provided for, and "The Mineral Resources Act" was passed in 1931. R.S.S. 1931, c. 16. Various regulations have since been passed to supplement this Act.

## THE MINERAL RESOURCES ACT

### II.

Under this Act the disposition of the surface rights in respect to any Provincial lands conveys the land only and not the minerals which may be leased or disposed of in accordance with the regulations provided therefor.

The mines, minerals, and mining rights in or under highways and road allowances are vested in the Crown and may be leased or otherwise disposed of.

The Act provides for the making of all regulations and orders necessary to carry out its provisions, and has made regulations for several of the following:

- (a) The leasing or disposal of mining rights underneath lands, the surface rights of which have been disposed of, and for the protection and compensation of the holders of surface rights.

<sup>1</sup> Prepared in collaboration with J. R. Hill, Deputy Minister, Saskatchewan Department of Natural Resources, Regina, Saskatchewan.

- (b) Prescribing the land subject to be staked as mineral claims or quarry locations, or to be disposed of under petroleum, coal, gas, salt or saline deposit leases, or placer mining rights, their size, manner of staking, etc.
- (c) The disposal of surface rights of any mineral claim.
- (d) Prescribing the respective rights of persons holding land or estate under two or more Acts.
- (e) Creating natural resources districts and regulating the recording of claims in any part of the Province.
- (f) Licensing persons, firms, or corporations to prospect, etc., and prescribing the number of claims permissible.
- (g) The appointment of arbitrators or mining boards, and prescribing the powers, duties, and mode of procedure of same.
- (h) The opening, construction, maintenance, and use of roads, power transmission lines and tramways, and for the opening, etc., of ditches, aqueducts, or raceways through or over mineral claims.
- (i) The disposal of tailings, slimes, or waste products.
- (j) Determining the reservation as to timber that shall be inserted in all leases of Provincial lands leased as mining lands.
- (k) Fixing the royalties, fees, dues, or charges to be paid for leases, permits, mineral rights, etc.
- (l) Prescribing penalties, and requiring reports and statements respecting work and operations.

The Act provides also for the protection of investors and for the making of statistical returns to the Department.

## QUARTZ MINING CLAIMS

### MINER'S LICENCE

Any person (18 years of age and over), and every mining partnership or joint stock company, may obtain a Miner's Licence on payment of the required fee. All licences expire on the 31st day of April next after the date of the issue and may be obtained or renewed at a cost of \$5 for an individual, or for a larger sum for a mining company, proportionate to its capitalization (*See* schedule of prices). The renewal of the licence may be obtained for any number of years not exceeding five years.

The possession of a licence entitles the holder to enter, locate, prospect, etc., for deposits of gold, silver, and all other minerals other than placer deposits, peat, coal, petroleum, natural gas, bitumen and oil shales, upon any vacant Provincial lands and upon all lands where the minerals have been reserved to the Crown, and also to prospect, etc., for gold and silver upon any lands where the rights to mine gold and silver have been reserved to the Crown.

The holder of a licence may stake out per year three claims for himself and three claims for not more than two other licensees, or nine claims in all.

A mining claim in unsurveyed territory consists normally of a square, 1,500 feet to a side (51.65 acres), with boundary lines running north-south and east-west. In surveyed territory a mineral claim consists of 40 acres, being a legal subdivision of a township.

Land covered by water may be included in a mineral claim, subject to certain provisions.

The granting of a location for the mining of iron and mica is limited to 160 acres, and includes the right to the iron and mica only, and does not include the surface.

Each claim must be marked at each corner by properly inscribed posts and by well blazed lines, and in treeless country by regulation land marks.

Fifteen days are allowed for recording, if within 10 miles of the Recorder's office, and one additional day for each additional 10 miles distance from the Recorder's office.

The appointment of an Emergency Recorder is provided for in areas more than 300 miles from the Recorder's office.

Metal tags impressed with the number of the mining claim are supplied by the Recorder, and must be affixed to the corner posts before expiry of the period for performing the first instalment of work.

A mineral claim can be held for one year and then from year to year without re-recording, provided that within five years immediately following the recording the holder has performed the required work, consisting of stripping, trenching, shaft sinking, or other actual mining operations to the value of \$500 as follows: at least \$100 within one year immediately following the recording of the claim and not less than \$100 worth of work in each succeeding year, after which having been granted certificates of work for each year and a certificate of improvement he may apply for a lease.

The work may be completed in less period of time. Boring by diamond or other core drill may count as work at the rate of \$5 per every foot of boring, and work by a drill operated by compressed air is recorded at the rate of \$7.50 per foot.

A geophysical survey, or the cost of the survey of the claim may be accepted in lieu of representation work for the year in which the survey is made.

A claim-holder must, within one month of the expiry of each work period, file with the Recorder an affidavit showing performance of work with particulars and a sketch showing the location of the work, and is granted a certificate of work for each year of work.

The application for a certificate of improvement must be made to the Recorder within 3 months after the required work has been performed. The certificate of improvement is granted after the necessary requirements have been met with, such as having performed all necessary work, having found valuable mineral, having had the claim properly surveyed, etc.

The claim-holder having secured a certificate of improvement, is then entitled to a lease of the claim for a term of 21 years at a rental of \$5 per annum. The first year's rental shall be paid within three months after the date of the certificate of improvements. The rental for a 21-year renewal is \$10 per annum. For a claim containing an area of 160 acres the rental is \$15 per annum, and for a renewal for 21 years the rental is \$30 per annum.

## TREATMENT OF ORES

All grants and leases issued under the provisions of these regulations shall be subject to the provision that all ores or minerals mined from locations described in such grants or leases shall be treated and refined within the Dominion of Canada or the British Empire, except as otherwise permitted so to do at the Minister's discretion, so as to yield refined metal or other product, suitable for direct use in the arts without further treatment; in default whereof the grant or lease issued for such lands shall be and become null and void, and the said lands shall forthwith revert to and become re-vested in the Crown freed and discharged of any interest or claim of any other person or persons whomsoever, and shall be open to disposal in such matter as the Minister may decide.

## PLACER MINING

Any person 18 years of age or over may prospect on Crown lands.

Permission may be granted to prospect on other than Crown lands after adequate security as to loss or damage has been given.

The claims are designated as creek, river, and inland claims. A creek claim is 500 feet long, measured along the base line of the creek, and 1,000 feet deep.

A river claim must be situated on one side of the river only, and is 1,000 feet long, measured in the general direction of the river, and the rear boundary measured 1,000 feet from the low-water mark.

Inland claims are 1,000 feet in length by 1,000 feet deep.

The regulations provide for the form of the claims, the marking, numbering of the posts, the size and number of discovery claims, and the procedure for locating and recording claims.

Grouping of claims up to thirty in number may be permitted for a period of 10 years, upon payment of a fee of \$5 for each claim.

The fee for a water grant is \$5 and the regulations deal in detail with the provisions for applying for water rights, the diversion, use, measuring of water, etc.

## ALKALI MINING

These regulations govern the disposal of the rights, the property of the Crown, to natural accumulations of soluble mineral salts and associated marls, excepting the lands covered by Little Lake Manitou.

The right to the naturally occurring "alkali" accumulations, the property of the Crown, are leased at an annual rental of 25 cents an acre, payable in advance. The application fee is \$10.

The regulations do not apply to lands occupied by buildings, dwelling houses, or any orchard, etc., except with the consent of the owner, nor to lands lying within cities, towns, etc., nor to School Lands, Indian Reserves, etc.

The term of the lease is for 20 years, and is renewable.

When extracting alkali accumulation from any source of water supply to which the Water Rights Act applies, a water licence must be acquired.

The maximum area of a location is 1,920 acres, except by assignment, when it must not exceed 9 square miles. The minimum area is 40 acres.

The regulations provide for the application for locations comprising surveyed and unsurveyed lands, as well as methods of staking and marking.

### COAL MINING

The coal mining rights, the property of the Crown, are leased at an annual rental of \$1 per acre, payable within 30 days of the receipt of the application. The application fee is \$5.

The regulations do not apply to lands comprised within any Provincial forest, Provincial park, or protected area, or land within any city, etc.

The term of the lease is for 21 years, and is renewable.

The maximum area of a location is 640 acres and the lessee is limited to three locations, except by assignment.

In surveyed areas, the locations must consist of legal subdivisions of sections and must be adjoining; the area applied for must not exceed 3 miles in length, and the width is limited to one-third the length. The minimum area is 40 acres.

The regulations contain instructions as to making application, filing, staking, etc.

The boundaries of coal locations are vertical planes and the lessee is limited to mining or excavating coal within 60 feet of the boundaries, and also is prohibited from mining coal under the rights of way of a railway, or in any way which might interfere with any power line.

Active operations must begin within one year from the date of the lease and after the expiration of one year the lessee must mine a minimum of 5 tons of coal a year.

Actual settlers are entitled to buy at the pit's mouth whatever coal they may require for their own use, at a price not to exceed \$2.75 per ton.

A royalty at the rate of 5 cents per short ton is levied on the merchantable output of the mine and is payable monthly to the Coal Administrator from the date upon which operations are commenced.

The surface rights may be leased yearly on the payment of a rental of \$1 per acre.

In the case of land covered by a timber licence, petroleum lease, etc., permission to enter must be obtained from the Minister, and arbitration is provided for in the case for entry on patented lands.

An operator's licence must be obtained from the Coal Administrator before any mining operations can be undertaken.

### QUARRYING RIGHTS

These regulations are for the disposal of the rights, the property of the Crown in Saskatchewan, to bentonite, building stone, clay, granite, gravel, gypsum, iron oxide, limestone, marble, marl, sand, slate and volcanic ash.

Any person 18 years of age and over may lease any quarriable substance which is the property of the Crown.

*In Surveyed Areas.* If the quarriable substance applied for occurs on the surface of the land, the application must include a description of area by quarter section, etc.; if it occurs under the surface, the same description applies and the boundaries are the vertical planes.

The term of a quarrying lease is for 21 years, computed from the 1st day of May of the year in which the lease is executed. The lease is renewable. The area is limited to 160 acres and the length must not exceed twice its breadth.

The rental is at the rate of \$1 per acre per annum, payable by May 1. In addition there is payable an application fee of \$5.

The quarrying lease does not convey the right to any other mineral other than the substance or substances mentioned in the lease, even though such other mineral is mixed with or occurs above or below the substance leased.

The lease does not convey any water rights.

A quarrying lease does not convey the surface rights so that the applicant must apply also for a lease or occupational permit under the Provincial Lands Act, or if the land is included in a forest reserve, under the Forest Act. If the land is not the property of the Crown, the lessee must pay a reasonable compensation to the owner.

The lessee must begin actual operations of the property within one year from the date of the lease.

The lessee must pay royalties on the quarriable substance.

Yearly permits are granted for the removal of sand, stone, and gravel from the beds of rivers and lakes. The permits expire on the 30th day of April following the date of issue. One permit only is issued to an applicant in any one fiscal year, unless the rights granted have been fully exhausted.

The permit is limited to a certain specified number of cubic yards, and does not constitute any exclusive right to the portion described in the permit or to the quantity of material specified.

A fee of \$1 is charged for each permit together with dues at the rate of 5 cents per cubic yard.

Quarriable substances which do not occur in or under the beds of rivers or lakes may, in the discretion of the Minister, be disposed of by yearly permit instead of by lease.

*In Unsurveyed Areas.* If the quarriable substance is situated within 10 miles of a post office 30 days is allowed for submission of the application and one additional day is allowed for each additional 10 miles. A proper description of the location must be included with the application. The regulations provide instructions for the staking of a location, for substitution of a new lease after survey, and for withdrawal after survey of portions found to be the property of the Hudson Bay Company.

#### PETROLEUM AND NATURAL GAS RIGHTS

The Petroleum and Natural Gas rights, the property of the Crown, are leased at a rental of 50 cents an acre for the first year, and at the rate of \$1 an acre for each subsequent year. The lease is for a term of 21

years and is renewable. The minimum area is 40 acres, except where a smaller area has become isolated by reason of former regulations or otherwise, and except by assignment, the maximum area in unsurveyed territory is 1,920 acres, and in surveyed territory 19,200 acres. In unsurveyed territory the number of leases held is limited to three.

The maximum area included in one consolidation is limited to 19,200 acres, and the locations so included shall not be separated one from the other by more than 2 miles.

The regulations deal with the procedure for relocation of a lease, with the description of the tract in surveyed and unsurveyed territory, the staking, marking of posts, etc.

Application for a lease must be made to the Supervisor of Mines at Regina, within 30 days after the staking, if situated within 100 miles of the office of the District Superintendent, and one extra day is allowed for each additional 10 miles.

The fee for each application for a lease is \$5 for the first 1,920 acres or less, and \$1 for each additional section (640 acres).

All necessary machinery and equipment must be installed within one year from the date of the lease: On a location of 1,920 acres or less the value of the machinery is not required to exceed \$5,000, but on locations from 1,920 acres to thirty sections or 19,200 acres the value must be not less than \$10,000.

Boring operations must begin within 15 months of the date of the lease and be continued with reasonable diligence for the discovery of oil or natural gas. The sum of \$2,000 for boring operations must be spent upon a leasehold in any year. For purposes of conservation the lessee of a location adjoining privately owned mineral lands on which oil or gas have been obtained in commercial quantities must conduct his boring operations as the Minister may determine.

The lessee must take reasonable measures to prevent access of water to the oil-bearing formation. Upon a well proving to be unproductive, ceasing to yield oil in paying quantity, or being abandoned, the lessee may withdraw the casing and shall immediately close the well by filling it with any substance that will prevent the water from gaining access to the well.

If natural gas is discovered through boring operations, precaution must be taken to control and prevent the escape of the gas. If water is encountered through operations the well must be sealed at such depth as may prevent the water from gaining access to the oil-bearing formation.

The lessee before commencing boring operations must give notice in writing of such intention, and supply information as to the particular point on the location, the designation of the well, the size and weight of the casing, the kind of drilling rig to be employed, and the name and address of the person in charge. There are regulations dealing with the procedure when abandoning a well.

No well may be bored or drilled within 200 feet of the boundaries of a location, or of any road allowance or surveyed roadway.

## THE OIL AND GAS WELLS ACT

This Act applies to all the oil and gas wells in the Province and provides for making all necessary regulations dealing with the commencement of drilling operations, the drilling operations, and the operation and management of wells. The Act also provides the appointment of Advisory Committees.

## THE WELL DRILLER'S ACT

This is an Act to regulate the boring and protection of wells, and provides for the making of necessary regulations, such as: requiring dry and abandoned wells to be plugged and protected; respecting the method and requirements to be observed in plugging and protecting any wells; respecting the method of boring wells and for the proper protection of wells during boring operations; governing the issue of certificates and the suspension and cancellation of same, and requiring the furnishing of reports and returns, geological and other information and specimens as prescribed.

A certificate must be obtained before starting boring operations. The fee is \$1 and the certificate expires on April 30. It is renewable annually on payment of the fee of \$1.

The operator must from time to time, as boring operations proceed, furnish:

- (a) All geological and other data obtained as a result of the boring;
- (b) A log of the well drilled, conditions ascertained, and the results obtained;
- (c) Forward to the Department, a sample of the material encountered at every ten feet from the surface and at every change in strata.

## THE PIPE LINE ACT

A permit must be obtained for the purpose of laying mains or pipes to conduct gas or petroleum, before a company can exercise the powers conferred upon it by "The Public Utilities Companies Act."

Application must be made to the Minister for a permit to break up, dig, trench, or use streets, highways, etc., for the purpose of laying therein mains or pipes to conduct gas or petroleum. A plan of the proposed undertaking must accompany the application, and for the purpose of making such plan, rights of entry are granted upon any Crown lands or other lands.

Notwithstanding anything in "The Rural Municipality Act," a company upon the registration of the plan, has the right, subject to the regulations and conditions as may be imposed, to construct, maintain and operate its pipe lines.

A declaration order from the Local Government Board must be obtained before starting the operation of any pipe line.

The Act provides also for the making of necessary regulations dealing with the inspection during the construction, the prescribed pressure, etc.

## QUARTZ MINING SAFETY REGULATIONS

*(Under The Mines Regulation Act, 1934)*

These regulations govern the operation and inspection of quartz mines, quarries, and oil and gas drilling plants, and deal with employment in and about the mines, the responsibility of mine officials, ventilation, sanitation, dust prevention, care and use of explosives, underground safety measures, fire protection, etc.

There are rules for metallurgical works, quarries, oil and gas well drilling plants and rigs, and provision for making special rules for individual mines. The regulations deal also with steam boilers, the protection from machinery, and governing the use of electricity.

## THE COAL MINING INDUSTRY ACT

This Act governs the operation of coal mines.

No coal mine in Saskatchewan may be operated unless a licence has been obtained from the Coal Administrator, and each mine operated requires a separate licence.

Every licence expires on August 31st in each year, and the licence fees are as follows:

|                                    |      |
|------------------------------------|------|
| (a) Wagon mine.....                | \$ 5 |
| (b) Shipping mine.....             | 20   |
| (c) Domestic mine, per person..... | 1    |

The regulations deal with the various requirements for securing a licence, including the furnishing of a schedule of wages. They also deal with agreements between operators for the stabilizing of conditions in the coal mining industry of Saskatchewan, which will ensure fair wages to employees, fair returns to operators and fair value to consumers. These agreements provide for: (a) minimum prices at the mine head for different grades and sizes of coal; (b) standards of grades and sizes upon which the minimum prices are based; and (c) conditions under which such prices shall be observed and maintained.

The regulations also deal with the questions of overweights, new sizes of coal, security for payment of wages, registration of trade names for coal, invoices, keeping of records, etc.

## THE COAL MINES SAFETY AND WELFARE ACT

This Act governs the safety and welfare of workers in coal mines.

Originally these regulations were known as "The Coal Mines Regulations Ordinance, 1898." This was replaced by "The Coal Mines Act" in 1909; by "The Mines Act" in 1917; and by the present Act, in 1930.

The provisions of the Act are dealt with under the following subdivisions:

*Part One*, entitled "Operation and Management," deals with the supervision of a mine, certificate requirements, examination of candidates, registration of employees, precautions for safety, reports and plans of workings.

*Part Two*, entitled "Inspection," deals with the appointment and duties of inspectors.

*Part Three*, entitled "General," deals with offences and penalties, fencing unused mines, burning slack, and provision for making general and special rules.

*Part Four* is the Schedule of "General rules for all mines." These rules deal with ventilation, storage and use of explosives, shafts and winding apparatus, machinery and equipment, sanitation, proper supply of drinking water, work houses, mine stations, electrical equipment and inspection.

### THE MINING, SMELTING, AND REFINING DISTRICT ACT

This is an Act to provide compensation for damage caused by mining, smelting, and refining operations.

The provisions of the Act are dealt with under four main sub-divisions.

*Part One*, entitled "Mining, Smelting and Refining District", deals with the following provisions: creation of a district in northern Saskatchewan with descriptions of its boundaries; and no liability for damage occasioned by operations within the district.

*Part Two*, entitled "Arbitration", deals with the appointment of an arbitrator, his jurisdiction, the time limit for giving notice of damage, investigation and assessment of the damage, effect of the award, and agreements of settlement.

*Part Three*, entitled "Compensation without Arbitration", contains the following stipulations: the owner or operator of any mining, smelting, refining or other reducing works, or any person who contemplates acquiring or operating such works may make an agreement with the owner or lessee of any land situated outside of the district for payment of compensation; the effect and extent of the operation of the agreement are defined; registration must be made of the agreement; and the payment of compensation shall afford a complete answer to any such action for damages.

*Part Four*, entitled "General", specifies that new regulations may be made for the better carrying out of this Act, and that it shall not alter or derogate the powers vested in the Government under the Mines Act and any amendments thereto.

A public tailings disposal area was set aside by Order in Council March 1934. In this area the owners of mineral claims within or in the vicinity of the mining, smelting or refining district of Flin Flon, whether in Manitoba or Saskatchewan or both of them, may, subject to the order of the Minister of Natural Resources, deposit tailings, slimes or other waste, but subject to certain restrictions.

## MINING TAXATION

There is no Mine Taxation Act in force in Saskatchewan. The revenue is in the form of royalties (see IV—Royalties).

## LIST OF ACTS AND REGULATIONS

## III.

- The Mineral Resources Act, R.S.S. 1931, c. 16.
- The Mines Regulation Act, R.S.S. 1934, c. 46.  
Amended by c. 104, 1936.
- The Well Drillers Act, R.S.S. 1932, c. 59.  
Amended by Bill No. 2, March 1937.
- The Oil and Gas Wells Act, R.S.S. 1936, c. 105.
- The Pipe Line Act, R.S.S. 1931, c. 38.
- The Coal Mining Industry Act, R.S.S. 1935, c. 73.
- The Coal Mines Safety and Welfare Act, R.S.S. 1932, c. 65 (formerly "The Mines Act," R.S.S. 1930 c. 222).  
Amended by c. 7, R.S.S. 1934-35; c. 103, R.S.S. 1936.
- An Act to repeal "The Department of Railways, Labour and Industries Act," and to amend certain Acts in consequence of such Repeal (Bill No. 14 of 1934-35). Assented to December 4, 1934.
- The Mining, Smelting and Refining District Act, R.S.S. 1930, c. 216.
- The Security Frauds Prevention Act, R.S.S. 1929, and amendments.
- The Saskatchewan Companies Act.

*Regulations**Under the Mineral Resources Act:*

- Quartz Mining Claims (effective July 1935) and amendments to date.
- Placer Mining (effective March 1931).
- Alkali Mining (effective February 1936).
- The Disposal of Quarrying Rights (effective January 1936).
- Petroleum and Natural Gas Rights (effective March 1931) and amendments to date.
- Coal Mining (effective October 1, 1936).

*Under the Coal Mining Industry Act 1935:*

- (a) Regulations effective September 1, 1935.
- (b) Regulations (amendment to) effective September 1, 1936.

*Under the Coal Mines Safety and Welfare Act:*

- Regulations effective July 31, 1933.

*Under the Mines Regulations Act 1934:*

- Quartz Mining Safety, and pertaining to the operation and inspection of Quartz Mines, Quarries, and Oil and Gas Well drilling plants (effective October 1, 1935).

*Under the Oil and Gas Wells Act 1936:*

- Registration and licensing of drillers, drilling, operation and management of wells, etc. (effective January 1938).

## ROYALTIES

## IV.

*Alkali*—Section 18.

The lessee shall pay a royalty of 12½ cents per ton of 2,000 pounds on shipping weight as determined from transportation return at the first point of shipment, on all products, raw or refined, taken from the property leased; the royalty shall be payable quarterly from the date on which operations commence, or at such other intervals as the Minister may specify. The lessee shall furnish the Department with sworn returns quarterly or at such other times as may be specified, accounting for the full quantity of material shipped and for the quantity and value received at shipping point of each of the several products sold. The royalty shall be subject to change at the discretion of the Minister.

*Coal*—

Royalty at the rate of 5 cents per short ton is levied on the merchantable output of the mine.

*Petroleum and Natural Gas*—Section 45.

- (1) A royalty at such rate as may from time to time be specified by Order in Council, but not less than 5 per cent of the sale, may be levied and collected on the natural gas products of the leasehold.
- (2) For a period of five years after the date upon which the Minister may decide that oil in commercial quantity has been discovered on lands acquired under the provisions of these regulations, the royalty to be collected by the Crown shall not exceed 5 per cent of the sales of the products of locations so acquired, as may be decided by the Minister, nor shall it be less than 2½ per cent of such sales during that period. For further period thereafter of five years, the royalty to be collected shall not exceed 10 per cent of the sales of the products of locations, nor shall it be less than 5 per cent of the sales during that period; and thereafter the royalty shall be 10 per cent of the sales of the products of locations acquired under the provisions of these regulations.

*Quartz*—Section 92.

- (1) There shall be paid to the Crown on every mine acquired under the provisions of these regulations or under the provisions of the Quartz Mining Regulations which preceded these regulations, a royalty on each ton of ore mined and treated during any calendar year, and the owner, manager, holder, tenant, lessee, occupier, or operator of the mine shall be liable for and shall pay the Crown an annual royalty as follows:
  - (a) The average value of the ore from any mine for the purposes of this section shall be determined by dividing the number of tons of ore mined into the value received from the sale of the mineral products recovered from such ore, and shall be stated in dollars per ton.

- (b) A precious metal ore shall be defined as one in which 75 per cent or more of its value is obtained from the recovery of precious metals therefrom.
- (c) The royalty on precious metal ores having an average value of \$5 per ton or less shall be 2½ cents per ton; and on all ores, other than precious metal ores, having an average value of \$5 per ton or less, 1¼ cents per ton.
- (d) The royalty on ores having an average value of more than \$5 per ton shall be determined as follows:

A percentage to be known as the "royalty rate" is first obtained by dividing the average value of the ore by 10 in the case of precious metal ores and by 20 in the case of all other ores. The average value of the ore is then multiplied by the royalty rate to obtain the royalty payable on each ton of ore.

#### Quarrying—Section 34.

The amount payable as royalty under Section 33 thereof shall be based on the quantity mined as follows:

- (a) On all quarriable substances shipped from Saskatchewan in the raw state or partially processed in the Province for further manufacture elsewhere the royalty shall be 2 per cent of the selling value.
- (b) On all quarriable substances processed or manufactured into finished products in Saskatchewan, the royalty shall be 5 cents per cubic yard of raw material.

For the purpose of applying the above rates the terms of the lease shall be considered as divided into separate periods of three calendar months each and the rates for each period shall be fixed on the basis of the quantity sold during such period only.

Sand and gravel when used for flux in smelting and filling operations shall not in the discretion of the Minister be subject to the royalty dues imposed by these regulations.

The royalty shall be subject to change in the discretion of the Minister.

## V. BOUNTIES

None.

## SCHEDULE OF FEES

### VI. (Quartz Mining)

|   |         |
|---|---------|
| 1. For a miner's licence or renewal thereof for an individual.....  | \$ 5 00 |
| 2. For an individual miner's licence issued on or after 1st November in any year.....   | 3 00    |
| 3. For a miner's licence or renewal thereof for a mining partnership having not more than two partners.....                                       | 5 00    |
| 4. For a miner's licence or renewal thereof for a mining partnership having more than two but not more than five partners.....                    | 10 00   |
| 5. For a miner's licence or renewal thereof for a mining partnership having more than five partners.....  | 20 00   |
| 6. For a miner's licence or renewal thereof for a company where the capital authorized by letters patent or licence does not exceed \$40,000..... | 25 00   |

|  |          |
|--|----------|
| 7. For a miner's licence or renewal thereof for a company where the capital authorized by letters patent or licence is over \$40,000 but does not exceed \$10,000 .....  | \$ 50 00 |
| 8. For a miner's licence or renewal thereof for a company where the capital authorized by letters patent or licence is over \$100,000 but does not exceed \$500,000.....   | 75 00    |
| 9. For a miner's licence or renewal thereof for a company where the capital authorized by letters patent or licence is over \$500,000 but does not exceed \$1,000,000.....   | 100 00   |
| 10. For each additional \$1,000,000 or fraction thereof.....   | 100 00   |
| (Provided that in cases where the authorized capital of any such company is over \$1,000,000 and it is, by affidavit of the president or secretary thereof, proven to the satisfaction of the Minister or the Deputy Minister that any part of such capital is actually being used in some other business enterprise and not in mining on Saskatchewan lands, such part may be deducted in fixing the licence fees herein provided for.) |          |
| 11. Where the shares of a company have no par value the fee for a miner's licence or renewal thereof shall be based on the actual value of the shares at the time of the issue of the licence or renewal, as shown by affidavit of the president or secretary of the company, or as may be determined by the Minister, at the rate of \$100 for every \$1,000,000, but in no case shall the fee be less than.....                        | 40 00    |
| 12. Whenever a miner's licence for a mining partnership or for a company is issued on or after the 1st November in any year, the fee shall be only one-half the amount above specified.  |          |
| 13. For recording each claim, located by a licensee on his own licence.....  | 5 00     |
| 14. For recording each claim located by a licensee on behalf of another licensee.  | 10 00    |
| 15. For an examination of the record book, per claim (personal).....   | 0 10     |
| For an examination of the record book per claim by mail.....   | 0 25     |
| 16. For inspecting any document filed with a mining recorder.....  | 0 10     |
| 17. For application for a certificate of work.....   | 5 00     |
| 18. For recording with the mining recorder a transfer, agreement of sale, option, power of attorney, revocation of a power of attorney, copy of a writ of execution, discharge of execution, or any other instrument affecting any recorded claim, right or interest, for each claim.....  | 2 00     |
| 19. For a substitutional miner's licence.....  | 1 00     |
| 20. For a special renewal licence under Section 66 to save forfeiture, twice the prescribed licence fee.   |          |
| 21. For filing of work under Section 66 to save forfeiture.....  | 10 00    |
| 22. For application for a lease of surface or mineral rights.....  | 10 00    |
| 23. For filing a certificate of mining partnership or certified copy thereof.....  | 1 00     |
| 24. For recording a certificate of revocation of agent and appointment of a new agent for a mining partnership.....  | 1 00     |
| 25. For recording a transfer of a share or shares in a mining partnership.....   | 1 00     |
| 26. For copies or certified copies of any document or record obtained from any officer per folio of 100 words.....   | 0 30     |
| 27. For an abstract of the records of a claim,<br>For first entry.....   | 1 00     |
| For each additional entry.....   | 0 10     |
| 28. For a grouping certificate.....  | 5 00     |
| 29. Annual rental of a claim, for the first period of 21 years.....  | 5 00     |
| 30. Annual rental of claim of 160 acres for the first period of 21 years.....  | 15 00    |
| 31. Annual rental for renewal period.....  | 10 00    |
| 32. Annual rental of claim of 160 acres for renewal period.....  | 30 00    |
| 33. Annual rental for fractional claim.....  | 5 00     |
| 34. Rental for surface lease, for each acre, per annum.....  | 1 00     |
| 35. For registration of an assignment of a lease.....  | 5 00     |
| 36. For substitutional record of entry.....  | 5 00     |
| 37. For application for a certificate of improvements.....   | 5 00     |

*(Placer Mining)*

|   |          |
|---|----------|
| For grant of a claim for one year.....  | \$ 10 00 |
| For renewal of grant of a claim.....  | 10 00    |
| Recording an abandonment.....   | 2 00     |
| Registration of any document, or filing of any document, affidavits, notices or<br>evidence not otherwise provided for..... | 5 00     |
| If it affects more than one claim, for each additional claim.....   | 3 00     |
| <i>Abstract of title:</i>   |          |
| For first entry.....  | 2 50     |
| Each additional entry.....  | 0 50     |
| <i>For copy of document:</i>  |          |
| Up to 100 words.....  | 1 00     |
| For each additional 100 words.....  | 0 50     |
| <i>For grant of water:</i>  |          |
| Of 50 inches or less, per year.....   | 5 00     |
| From 50 to 200 inches, per year.....  | 10 00    |
| From 200 to 1,000 inches, per year.....   | 20 00    |
| For each additional 1,000 inches or fraction thereof, per year.....   | 20 00    |
| Filing notice of intention to apply for water .....   | 5 00     |
| Permit to record.....   | 5 00     |
| <i>Grouping:</i>  |          |
| For every claim.....  | 5 00     |
| Fee bringing claims to one date, for every 3 months or fraction thereof....   | 2 50     |
| <i>Drainage grants:</i>   |          |
| Where no toll right.....  | 10 00    |
| Where toll right.....   | 50 00    |
| Annual rental fee per quarter mile.....   | 15 00    |
| <i>Bonds:</i>   |          |
| Fee filing any bond required, \$1,000 or under.....   | 5 00     |
| Fee on bonds over \$1,000, 1 per cent of the amount of bond.  |          |
| <i>Power of Attorney:</i>   |          |
| Filing to record or stake.....  | 5 00     |

*(Petroleum and Natural Gas)*

|  |         |
|--|---------|
| 1. Application fee for first three sections or less.....     | \$ 5 00 |
| For each additional section.....                             | 1 00    |
| 2. Rental, first year, per acre.....                         | 0 50    |
| 3. Rental, each year after first year, per acre.....         | 1 00    |
| 4. Rental, lease from Crown of surface rights, per acre..... | 1 00    |

*Registration of Assignments*

|   |               |
|---|---------------|
| 5. For each section or portion thereof.....   | 5 00          |
| 6. For a divided portion of a location and the issue of a new lease therefor...<br>Per section or part thereof..... | 10 00<br>5 00 |

*Permits*

|   |               |
|---|---------------|
| 7. Rental, 10 cents per acre to be accompanied by cash or guarantee bond at<br>the rate of 40 cents for each acre included in the permit. |               |
| 8. (a) Application fee for first three sections or less.....  | 5 00          |
| For each additional section.....  | 1 00          |
| (b) Assignment of each section or portion thereof.....  | 5 00          |
| (c) For a divided portion of a location and the issue of a new permit.....<br>Per section or part thereof .....                           | 10 00<br>5 00 |
| 9. Driller's Licence.....   | 25 00         |
| 10. Renewal of Driller's Licence.....   | 5 00          |

*Searches and Preparation of Plans, etc.*

|  |         |
|--|---------|
| 11. Plans, per hour .....                    | \$ 2 00 |
| 12. Minimum under this item.....             | 1 00    |
| 13. Search fee for each lease or permit..... | 1 00    |
| 14. Filing name of agent or substitute.....  | 5 00    |
| 15. Permit to commence operations.....       | 5 00    |
| 16. This item should be struck out entirely. |         |

*Application for Certificate of Grouping*

|  |       |
|--|-------|
| 17. For each section or fraction thereof.....  | 5 00  |
| 18. Special applications re extensions, concessions, etc.  |       |
| (a) Where no special Order in Council required for the first section covered by the application .....    | 5 00  |
| For each additional section or fraction thereof.....   | 3 00  |
| (b) Where special Order in Council required:   |       |
| Minimum fee .....  | 10 00 |
| For each additional section or fraction thereof after the first section covered by the application ..... | 5 00  |

*(Coal Mining)*

|   |         |
|---|---------|
| 1. Application for lease.....   | \$ 5 00 |
| 2. Annual rental per acre, coal mining rights.....  | 1 00    |
| 3. Annual rental per acre, surface rights.....  | 1 00    |
| 4. Registration of Assignment, one lease.....   | 3 00    |
| 5. Registration of Assignment, each additional lease.....   | 1 00    |
| 6. Registration of Assignment of divided portion of location and issue of new lease.....                | 25 00   |
| 7. Searches.....  | 0 50    |
| 8. Plans, per hour (minimum charge, 50 cents).....  | 2 00    |
| 9. Special applications re extensions, concessions, etc.:   |         |
| (a) Where no special Order in Council required:   |         |
| For the first section covered by the application .....  | 5 00    |
| For each additional section or fraction thereof.....  | 3 00    |
| (b) Where special Order in Council required:  |         |
| Minimum fee .....   | 10 00   |
| For each additional section or fraction thereof after the first section covered by the application..... | 5 00    |

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**REPRESENTATIVES**

|                                  |                  |
|----------------------------------|------------------|
| <i>Minister</i> .....            | Hon. W. F. Kerr. |
| <i>Deputy Minister</i> .....     | J. R. Hill.      |
| <i>Supervisor of Mines</i> ..... | E. Swain.        |
| <i>Coal Administrator</i> .....  | J. R. Hill.      |

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More detailed information and copies of the Mining Laws and Regulations pertaining to the Province of Saskatchewan, may be had on application to the Deputy Minister, Department of Natural Resources, Regina, Sask.

## ALBERTA<sup>1</sup>

### I.

The Act creating Alberta as a province came into force October 1, 1905. Previously, Alberta was part of the Northwest Territories, and its first mining act dates back to 1898 when "The Coal Mines Regulations Ordinances" was passed (Consol. Ordinance of the Territories 1898, Chap. 16).

These regulations provided for the safety, working conditions, employment in the coal mines. They were replaced in 1906 by The Coal Mines Act. The first "Mines Act" was assented to in 1913. This has since been replaced by the Coal Mines Regulations Act of 1930, with amendments to date.

The Province of Alberta has since September 1, 1930, administered its own natural resources. Previous to that time the authority for the leasing and disposal of mineral lands was in the hands of the Government of the Dominion of Canada.

The administration of the mineral resources of the Province was taken over in 1930 by the Department of Lands and Mines, and the Mines Branch of Alberta was transferred from under the Executive Council to the above-mentioned Department.

The Dominion regulations for the leasing and disposal of mining lands and rights in force at the time of the transfer were superseded by Provincial regulations established the 18th of June, 1931, under provisions of The Provincial Lands Act. The Provincial regulations in force previous to the transfer had to do with the working and living conditions and the general welfare of miners. The Province also has regulations for the disposal of coal mining rights under road allowances which continue to be operative.

## QUARTZ MINING

### II.

These regulations apply to all deposits of gold, silver, and all naturally occurring useful minerals other than placer deposits, peat, coal, petroleum, natural gas, bitumen and oil shales.

Limestone, marble, clay, gypsum, or any building stone when mined for building purposes, earth, ash, marl, gravel, sand, as well as any element which may in the opinion of the Minister, form a portion of the agricultural surface of the land, shall not be considered as mineral within the meaning of these regulations.

Every person 18 years of age or over has the right to enter, locate and prospect upon any vacant Crown lands, and upon all lands where the mineral rights have been reserved to the Crown, except upon lands occupied by any building, or land under cultivation, etc.

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<sup>1</sup> Prepared in collaboration with J. W. Hamilton, Superintendent of Mining Lands, Department of Lands and Mines, Edmonton.

Application must be filed in person at the office of the local Mining Recorder within fifteen days from the date of staking. One extra day is allowed for each 10 miles or fraction thereof in excess of 10 miles from the Mining Recorder's office; provided, however, if the claim is situated where other claims are being located, the locators, not less than five in number, are authorized to meet and appoint an "emergency recorder," who may accept the applications for delivery to the local Mining Recorder.

The location must be rectangular in shape and not exceed 1,500 feet in length and 1,500 feet in breadth.

The prospector is entitled to three claims in his own name, in any one mining district in any one year, and not more than two claims each for not more than two other persons, being seven claims in all.

The location for the mining of iron and mica is limited to 160 acres, with boundaries running north-south and east-west, and all sides equal. If any other valuable mineral deposit is discovered on the location, the applicant is restricted to the regulations prescribed for other minerals.

The regulations contain instructions as to the procedure for staking and recording claims.

The fee for recording a claim is \$10, and a similar fee is charged for the application for a lease to a location. The term of the lease is for 21 years and is renewable for a further term of 21 years.

The locator, to be entitled to hold the claim, must do work on it each year to the value of \$150 or he may pay to the Mining Recorder the sum of \$150 in lieu of the work. A certificate of improvement may be obtained by the holder of a claim when work to the value of \$750 has been done on the claim in developing a mine or upon payment of the sum of \$750 in lieu of expenditure.

The rental of a claim granted under a lease is \$50, payable in advance within three months after the date of the issue of a certificate of improvement, and covers the period of 21 years. The renewal for a further period of 21 years is \$200.

The rental of a claim of excessive size granted under lease is \$150 for 21 years and \$600 for the renewal of 21 years.

The royalty on the sales of the products of a location are such as may be fixed by Order in Council. O.C. 676, 1931.

### QUARRYING

These regulations deal with the leasing of lands containing clay, gravel, granite, gypsum, limestone, marl, marble, sand, slate, volcanic ash, or any building stone.

Provincial lands containing any of the above-mentioned minerals may be leased at an annual rental of \$1 an acre, payable in advance. These regulations do not apply to school lands or land within any city, etc., unless otherwise specially provided.

The term of the lease is for a period of 21 years, and is renewable for a further period of 21 years.

The maximum area of a quarrying location is approximately 40 acres, and only one location is allowed to one person. A railway company or

municipality, requiring material for construction purposes or maintenance of railway or municipal works, may acquire more than one location. The location, if situated in unsurveyed territory, must be staked out according to the instructions contained in the regulations.

The fee for each application for a lease is \$5, and the rental is at the rate of \$1 per acre per year.

The lessee must commence active operations within one year from the date of the notification and must quarry out or remove the quantity of the material as specified in the notification.

The royalty payable is whatever may be fixed by Order in Council. The present royalty is at the rate of 5 cents per cubic yard. O.C. 692, 1931.

### COAL MINING IN PROVINCIAL LANDS

The coal mining rights, which are the property of the Crown, may be leased to applicants at an annual rental of \$1 an acre, payable yearly in advance. The term of the lease is 21 years and is renewable for a further term of 21 years. A fee of \$5 must accompany each application for a lease, which must be made in person at the office of the local Mining Recorder.

The maximum area of a coal mining location is 2,560 acres. A greater area can be obtained only by assignment.

The minimum area is 40 acres.

The application for a lease must be filed with the local Mining Recorder.

In surveyed territory the tract must consist of sections or its legal subdivisions, and the several parcels must be adjoining, the length not to exceed four times its breadth.

In unsurveyed territory, if at least one of the boundary lines has been surveyed, a lease may be granted for an area not in excess of 640 acres, provided the length of the tract will not exceed its breadth.

In unsurveyed territory the application for a coal mining location must be filed with the local Mining Recorder within 30 days from the date of the staking. If the location is distant more than 100 miles from the Mining Recorder's office, one additional day is allowed for each 10 miles or fraction thereof in excess of 100 miles.

The lessee must commence active operations on his leasehold within one year from the date of notification and must produce from such operations the quantity of coal specified in the notification.

The regulations provide instructions as to staking, recording, etc., of locations.

The leases are subject to the provision that actual settlers are entitled to buy at the pit's mouth whatever coal they may require for their own use at a price not to exceed \$2.75 per ton.

A royalty at the rate of 5 cents per short ton is levied on the output of a mine, and is payable monthly to the Mining Recorder.

The lease in all cases includes the coal mining rights only, the property of the Crown. The lessee may, upon application, be granted a yearly lease at a rental of \$1 per acre per annum, payable in advance, of whatever area

of the available surface rights of the location that the Minister may consider necessary for the efficient and economical working of the coal rights granted. O.C. 666, 1931.

**NOTE:** At the Session of the Legislature in the year 1930 a resolution was adopted suggesting that no further leases of coal mining rights be granted unless to supply local demands or for the extension of operations of an existing mine. Companies owning large tracts of lands including the minerals, are co-operating by curtailing the issue of leases unless the application has the approval of the Province.

### **COAL MINING IN SCHOOL LANDS**

These regulations are somewhat similar to those for coal mining rights in Provincial lands.

The rental, application fee, and the royalty are the same. The maximum area is limited to 640 acres. O.C. 667, 1931.

### **THE ISSUE OF PERMITS TO MINE COAL, THE PROPERTY OF THE CROWN, FOR DOMESTIC PURPOSES, BUT NOT FOR SALE**

The coal mining rights, the property of the Crown, may be acquired under a permit for a fee of \$1 which expires on March 31st following the date of issue.

These regulations do not apply to school lands, or to lands comprised in any forest reserve, park, or other reserve; or to lands within any incorporated city, etc., unless otherwise specially provided; or to land situated in unsurveyed territory, or lands covered by waters of any lake, etc.

The permit does not carry the right to sell any coal mined from the location, and the permittee is limited to mine coal by the strip mining method only.

The permit is renewable from year to year.

The location is limited to 3 chains in width and to 5 chains in length, the maximum area embraced not to exceed one acre.

The royalty is at the rate of 10 cents per short ton of merchantable coal produced. O.C. 668, 1931.

### **PETROLEUM AND NATURAL GAS**

The petroleum and natural gas rights, the property of the Crown, may be leased to applicants at a rental of 50 cents an acre for the first year, and for each subsequent year a rental at the rate of \$1 an acre, payable yearly in advance. The term of the lease is 21 years, renewable for a further term of 21 years.

The maximum area of a petroleum and natural gas location is 1,920 acres, and no person is permitted to acquire a greater area, except by assignment. The minimum area is such area as the Minister may decide as being proper and convenient.

The application for a lease must be filed, by the applicant in person, with the Mining Recorder.

In surveyed territory the tract must consist of sections or its legal subdivisions, but the several parcels comprising the tract must be adjoining, the length of the tract not to exceed three times its breadth.

In unsurveyed territory, if at least one of the lines bounding the tract applied for has been surveyed, an area not in excess of 640 acres may be considered.

In unsurveyed territory, the application must be filed with the local Mining Recorder within 30 days from the date of staking. One extra day is allowed for each 10 miles or fraction thereof in excess of 100 miles from the Mining Recorder's office.

The regulations provide instructions as to the procedure for making an application for a location, its description, etc.

As soon as the survey of a township has been confirmed the leases embracing any portion of such township must conform to the Alberta Lands System of Survey by the substitution of a new lease.

The lessee must, within one year of the lease, have upon the location such machinery and equipment suitable for carrying on development operations; the value of such installation need not exceed \$10,000.

Drilling operations must commence within 15 months of the date of the lease, and be continued with reasonable diligence with a view to the discovery of oil or natural gas.

Consolidation of holdings is permissible subject to certain terms and conditions, as set out in the regulations. The maximum area in one consolidation must not exceed 50,000 acres, nor must the locations so included be separated by a greater distance than 3 miles; provided that the leases included in any group shall be situated within an area rectangular in form not exceeding 650 square miles.

The lessee may, upon application, be granted a yearly lease at a rental of \$1 an acre per annum, payable yearly in advance, of whatever area of the available surface rights of the tract described in his petroleum and natural gas lease the Minister may consider necessary for the efficient and economical working of the rights granted him.

A fee of \$5 must accompany each application for a lease, which must be made in person at the office of the local Mining Recorder.

The products of any location are subject to the payment of such royalty as may from time to time be fixed by Order in Council.

The present royalty on Provincial lands or on School lands is 10 per cent of every product obtained or obtainable from the location, free and clear of any deductions whatsoever, or 10 per cent of the value at the gross current field price of such products as the Minister may decide; provided, however, that where recovery of the product is obtainable solely through absorption plants or other processes of a similar nature and not by gravity, where the products that are recoverable are not in excess of one-half gallon per thousand cubic feet, as ascertained by a test of the natural gas to determine the natural gasoline content thereof, the royalty payable to the Crown on these products is 50 per cent of the prescribed royalty.

It is further provided that when the products so obtainable are shown by the said test to be in excess of one-half gallon per thousand cubic feet of gas, the proportion of royalty payable to the Crown is set forth in the schedule given in Section IV, Royalties.

*Establishment of Crown Reserves, 1937.* The petroleum and natural gas rights, the property of the Crown in all lands situated in unsurveyed territory, together with lands comprising Alberta Forest Reserves may be acquired under and in accordance with the provisions of the regulations for the disposal of Petroleum and Natural Gas Rights in Provincial lands; excepting that the maximum area located or staked may be 3,840 acres. The claim must be rectangular in shape, except where the boundary of a previously located tract or the boundary of a forest reserve is adopted as a common boundary, and the length must not exceed 6 miles, nor must it exceed six times the breadth.

The area so located or staked must be divided into two parts, each of rectangular shape, of equal area, one of which shall be reserved to the Crown.

In unsurveyed territory the location must be staked along the greatest dimension.

The Regulations contain the necessary instructions as to marking, description, etc.

In surveyed lands staking is not necessary, but the locations must be described by subdivisions, etc.

The petroleum and natural gas rights, the property of the Crown in all odd numbered sections of lands situated north of the north boundary of Township 52 are reserved and constitute Crown Reserves.

The minimum area of a location is 160 acres, but in the case of a location of less than 160 acres, where the petroleum and natural gas rights adjoining it are not available, application may be granted for a less area, one-half of which will be reserved to the Crown. O.C. 225, 1937.

#### **THE RESERVATION OF PETROLEUM AND NATURAL GAS RIGHTS FOR GEOLOGICAL EXAMINATION**

An area not in excess of 50,000 acres of petroleum and natural gas rights may be placed under reservation for geological examination where satisfactory representations are made that the prospecting program to be undertaken is of such a nature that the information to be obtained will be of value.

The minimum area that may be reserved is 10,000 acres.

A payment at the rate of 5 cents per acre must accompany each application for a reservation and the applicant must at stated times furnish certain data to the Department.

The maximum period of the reservation is six months and provision is made for the granting of credit on the confirmed expenditure in excess of 20 cents an acre and any credit granted may be applied on account of the rental of any lease acquired by the applicant under the petroleum and natural gas regulations but not to the rental for the first year of any such lease.

Where the reservation includes the months of December, January, February, March, the reservation is automatically extended to the first of April following the date of issue of the permit to enable the applicant to perform the requirements of the regulations. O.C. 1026, 1937.

#### DRILLING AND PRODUCTION OPERATIONS OF OIL AND NATURAL GAS WELLS

These regulations apply to every well under the jurisdiction of the Province of Alberta:—

- (a) Which is being drilled for the purpose of searching for or obtaining any petroleum;
- (b) Which is producing or capable of producing any petroleum; or
- (c) Which is drilled to a depth of more than 500 feet, regardless of the purpose for which the same is being drilled.

The operator for the time being of every drilling well and every producing well must appoint some person residing in the Province as his representative and notify the Petroleum and Natural Gas Conservation Board of the appointee's name and address; and that person is empowered to act as the agent of the operator for the purpose of receiving directions and communications from the Board.

Every member of the Board and every person or official authorized by the Board have access to all wells, records, plant and equipment.

A *subsisting licence*, issued by the Board and pursuant to these regulations, must be obtained before any operations can be undertaken.

The application must be accompanied by a plan of the lands showing the exact location of the proposed well site in relation to the original boundaries of the property, any rivers, lakes, roadways, existing wells, structures of any kind, and distances to drilling or completed wells on offset leases.

No well may be drilled within 440 yards of any producing well, or any well which is being drilled, except under special conditions, as specified in the regulations.

No drilling operations can be started until approval by the Board of the program of operations as outlined in the application has been received.

No licence is granted for the drilling of a well for petroleum or natural gas at any point which is within 330 feet of the nearest boundary of the area owned or controlled by the operator, or which is within 330 feet of any road, railway, dwelling, etc., except under special conditions.

The regulations provide detailed instructions as to the procedure while carrying on drilling operations such as the proper casing of wells, suspension of operations, the taking of a series of samples of the various formations, and of core cuttings, the sampling of water, and of oil and natural gas from the well, the anchoring of casings and the provision of a proper control lead, the maintaining of daily reports, the sealing of stratum, the shooting of a well, etc.

There are restrictions as to drilling on any land under which there are beds or seams of coal which are being worked.

The escape of oil or gas must be prevented and the flow of water controlled, and precautions must be taken against wastage of oil or gas.

The use of vacuum pumps and casings swabs, or other like devices are prohibited except by special permission.

The surface equipment of every gas well must include such fittings as will allow the Department to take the closed-in pressure, the bottom hole pressure, the working pressure, and any test required at any time, including the time when the initial open flow capacity test is made. The operator must, at least twice a year, take a gauge of the volume and closed-in pressure of all the wells producing gas.

The production of oil or gas must be reported monthly to the Department, and also a daily record must be kept of all production.

Instructions are given as to the equipping of every producing well with a proper and approved meter.

Natural gas, which contains natural gasoline or casing-head gasoline, or when produced with oil or water, must be separated and conserved. The method of separation, as well as the type and size of the separators or other appliances, is subject to approval by the Department. O.C. 49, 1939.

#### **ISSUE OF CARBON-BLACK PERMITS**

Every application for a permit to manufacture carbon-black receives consideration on its merits and special regulations are established for each individual case, prescribing the conditions under which operations may be conducted.

#### **SALT RIGHTS (1936)**

These regulations have been withdrawn as development of the salt deposit at Waterways has been undertaken.

#### **ALKALI MINING**

"Alkali," for the purpose of these regulations, is interpreted as including all natural accumulations of soluble mineral salts and associated marls, which occur at or near the surface, including salt marshes, saline sloughs, saline lake basins, brine springs or streams, and all other types of natural accumulations of soluble mineral salts, whether such salts occur in the solid state or in solution.

The right to the naturally occurring alkali accumulations, the property of the Crown, may be leased. It is provided, however, that these regulations do not apply to lands occupied by any building, house, orchard, land for the time being under cultivation, except with the written consent of the owner, land valuable for water-power purposes, land lawfully occupied for mining purpose, and excepting also lands lying within any incorporated city, etc.

Application must be made in person at the office of the local Mining Recorder.

The term of the lease is for 21 years, and is renewable for a further term of 21 years.

The applicant acquiring a lease to extract alkali accumulations from any source of water supply to which "The Water Resources Act" applies must also acquire a water licence.

The maximum area of an alkali-mining location is 1,920 acres, except by assignment when the maximum must not exceed 9 square miles. The minimum area is 40 acres.

In surveyed land the location consists of sections or its subdivisions, and the several parcels must adjoin, the greatest length not to exceed six times the greatest breadth, and the whole area not to exceed 3 square miles. In unsurveyed territory, an application for a lease may be made if at least one of the lines bounding the tract applied for has been surveyed.

In unsurveyed territory the application must contain a description of the location and be accompanied by a plan. The regulations contain detailed instructions as to the procedure in this case.

A fee of \$10, together with the rental for the first year of the location applied for, at the rate of 25 cents an acre, must accompany the application. Subsequent rental is at the rate of 50 cents an acre per year.

The lessee must expend in actual development or improvements upon the property, or, with the consent of the Minister, in experimental work, the sum of \$10,000 for each lease or group of leases, as follows: \$2,500 for each of the first two years and \$5,000 during the third year, unless sooner expended.

The products of the location are subject to the payment of such royalty as may from time to time be fixed by Order in Council. O.C. 681, 1931.

### POTASH

The right to the naturally occurring compounds, containing sulphate or chloride of potassium, or both, in a condition directly soluble in water, the property of the Crown, may be leased to applicants at a rental of 50 cents an acre for the first year, and for each subsequent year, rental at the rate of \$1 an acre, payable yearly in advance.

A fee of \$5 must accompany each application for a lease.

The term of the lease is 21 years and is renewable for a further term of 21 years.

The maximum area of a potash location is 1,920 acres, and this can be exceeded only by assignment.

The minimum area is 160 acres.

In the case of School lands the maximum area is 640 acres.

All told, these regulations are very similar to the alkali regulations, a summary of which has been given in this report. O.C. 682, 1931. School Lands O.C. 684, 1931.

### DISPOSAL OF BITUMINOUS SAND DEPOSITS

Before an application for permission to acquire the right to a bituminous sand area is considered, the applicant must satisfy the Minister that he has the right to use a process for the recovery of oil and other hydrocarbons from such sand, which process, in the opinion of the Minister, gives the promise of the development of a successful industry. Upon com-

pliance with these provisions a permit may be granted to install on a specified tract of land all appliances and equipment necessary to conduct a thorough test of such proposed process, and of methods of mining and handling the bituminous sand, and for the purpose of excavating and using such of the material from the tract as may be reasonably necessary for such test.

The permittee must, within two months after the date of the permit, commence the installation upon the location of a pilot or experimental plant for the demonstration and development of the process submitted by him, having an average daily capacity of not less than 25 tons of sand, and he must thereafter systematically and continuously prosecute work on such demonstration and development: Provided that operations may be suspended during the period extending from November 1 to April 1 in the following year.

The permittee must, within 30 days after the expiration of the first year of the term of the permit, furnish evidence that he has expended at least \$15,000 in the installation and operation of his plant, and in other acceptable experimental and research work.

The permittee may, during the term of his permit, conduct such prospecting and exploratory work on vacant lands of the Crown, as may be reasonably necessary to determine the position and extent of available commercial deposits of bituminous sand, which the permittee may, at the expiration of his permit, desire to select under the following provisions. If he has complied fully with the conditions of his permit and with the provisions of the regulations, he may, at or before the expiration of the second year of the term of the permit, obtain a lease of a definitely described area, not exceeding 3,840 acres, selected in not more than eight blocks (the minimum area of any block being 40 acres) from the lands available for that purpose. The application for a lease must be accompanied by a written undertaking that within a period of six months from the date of the acceptance of the application, he will commence the erection and installation on the lands applied for or in the immediate vicinity, of a plant capable of treating at least 500 tons of bituminous sand per day, and at a minimum cost, when completed, of \$100,000, and will complete such erection and installation within 2 years from the date of the acceptance. The available area so selected will then be reserved for him for the period of two years, after which period he will be entitled to receive a lease of the area.

The term of the lease is 21 years and is renewable for a further period of 21 years.

The annual rental is at the rate of 50 cents per acre for the area leased, and payable in advance.

The royalty on the products of the leasehold is at the rate specified in the lease, and will not exceed 5 cents for each ton of bituminous sand mined and sold without treatment, or 5 cents for each barrel of separated asphaltic oil or bitumen, or the equivalent in separated products obtained by treatment of the sand, and sold or transferred to a refinery, such royalty to be payable monthly or as may be decided.

The lease conveys the rights to the bituminous sand only, the property of the Crown, together with the right to enter upon and use and occupy

such of the vacant lands of the Crown comprised in the location as the Minister considers necessary.

The bituminous sand and all the products that may be derived shall be fully treated and refined within the Dominion of Canada, for direct use without further treatment.

The lessee must, during at least six months in each year of the term of the lease and its renewal, produce and treat a minimum quantity of 50,000 tons of bituminous sand. O.C. 683, 1931.

### PLACER MINING

Every person 18 years of age or over has the right personally to enter, locate, and prospect upon any vacant Crown lands, etc.

The claims are designated as creek, river, or inland claims.

A creek claim must not exceed 500 feet in length, measured along the base line of the creek, or as established by a Government survey, and must be marked by two legal posts at each end of the base line. The depth of the creek claim is 1,000 feet.

A river claim must be situated on one side of the river only, and not exceed 1,000 feet in length by 1,000 feet in depth.

An inland claim (one situated elsewhere than on a creek or river) must not exceed 1,000 feet in length by 1,000 feet in breadth.

All claims must be as nearly as possible rectangular in form.

When locating a claim where there has been none recorded previously, the sizes of the claims are as follows:

(a) *Creek Claims:*

One locator may locate one claim 1,500 feet long.

Two locators may locate two claims, each 1,250 feet long.

A party of more than two may locate two claims, each 1,000 feet long, and a claim of the ordinary size for each other member of the party beyond two.

(b) *River Claims:*

One locator, one claim, 3,000 feet long.

Two locators, two claims, each 2,500 feet long.

More than two locators, two claims, each 2,500 feet long, and a claim of the ordinary size for each other member of the party beyond two.

An application for a claim must be filed with the Mining Recorder for the district within 10 days after staking if it is located within 10 miles of the Mining Recorder's office. One extra day shall be allowed for every additional 10 miles or fraction thereof.

In the event of a claim being more than 100 miles from the Mining Recorder's office and situated where other claims are being located, the locators, not less than five in number, are authorized to meet and appoint

one of their number as emergency recorder, who shall act in that capacity and accept applications from the locators. The emergency recorder shall then notify the Mining Recorder and deliver the application and fees received for recording the claims.

Any person upon satisfying a Mining Recorder that he is about to undertake a bona fide prospecting trip, may, upon payment of a fee of \$5, receive written permission from the Mining Recorder, allowing him to record a claim within the mining district at any time within such a period not exceeding six months from the date of his staking such claim.

The fee for a grant of a claim is \$10 annually, and is conditional to work being done each year on the claim to the value of \$150.

The rental for the surface rights is \$1 an acre, and the permit is renewable.

The grouping of claims is permissible, being limited to ten claims, and for a term of 10 years.

A water licence may be obtained under the provisions of The Water Resources Act. O.C. 674, 1931.

#### **LEASES TO DREDGE FOR MINERALS IN THE BEDS OF RIVERS**

The lessee has the exclusive right to mine and dredge for minerals, other than coal, in and along an unbroken extent of 5 miles of the river, measured along the centre line thereof and following its sinuosities, the side boundaries of the location being defined as lines on each side of the river distant at all points 1,000 feet from the centre line of the river, and parallel to it. If the river is more than 2,000 feet wide at the high-water stage, the side boundaries of the location must be fixed at 200 feet beyond the high-water mark.

No person is permitted to acquire more than two leases.

The term of the lease is for 21 years, and the lease may be renewed.

The fee for a lease is \$5. The rental for the first year is at the rate of \$50 for each mile, payable in advance; and for each subsequent year, at the rate of \$20 a mile.

The products of the location are subject to any royalty as may from time to time be fixed by Order in Council.

The lessee must have at least one dredge in operation upon his location, within one year from the date of his lease. O.C. 679, 1931.

#### **REMOVAL OF SAND, STONE, AND GRAVEL FROM THE BEDS OF RIVERS AND LAKES**

Yearly permits are granted for permission to remove a certain specified number of cubic yards of sand, stone, or gravel from the portion of the bed of the river or lake as described in the permit, but does not constitute any exclusive right to the described portion, or to the specified quantity of material.

The right granted in the permit applies only to the bars in, or the bed of the river or lake itself below the ordinary high-water level.

The permittee is prohibited from doing any material damage or unnecessary disturbance to the bed or banks of the stream or lake affected by his permit.

The fee for a permit is \$2.50, and the dues are at the rate of 5 cents per cubic yard.

Special permits may be granted, without fee or yardage dues to cities, towns, etc., requiring sand and gravel for public works. O.C. 678, 1931.

#### **BAR-DIGGINGS**

Bar-diggings comprise lands in and along any river over which the water extends during high-water, but which are not covered at low-water.

The fee for a permit to work bar-diggings is \$2.50 and entitles the holder to stake out, in accordance with the provisions of the regulations governing placer mining, and work bar-diggings the dimensions of which are limited to a strip of land 100 feet wide along the high-water mark of the river, and extending into the river to its lowest water level.

The permit expires on the 31st day of March following the date of issue.

The permit is renewable, but if a claim remains unworked for ten consecutive working days, the rights will lapse unless a lay-over has been granted by the Mining Recorder.

The products of the location are subject to the payment of such royalty as may from time to time be fixed by Order in Council. O.C. 680, 1931.

#### **RIGHT OF ENTRY UPON LAND**

No person has the right of entry, use, or taking of the surface of any land incidental to any mining or drilling operations; or for the laying of pipe-lines and of building structures, etc., on such lands until he has obtained the consent of the owner or occupant, or has become entitled to entry by reason of an Order of a Judge of the District Court.

In case the surface rights of a mineral location or any right of access to it are vested in some person other than the Crown, and the owner or lessee of the mineral rights cannot acquire by agreement the right of entry upon or to the location, or for the acquisition of such interest in the surface rights as may be necessary for the efficient and economical operation of the rights acquired by him, he may apply to a Judge of the District Court for decision.

Where the surface rights of a mineral location are held under any form of terminable grant, or have been disposed of by the Crown by an Act or Regulations, which contemplates the issue of notification, and the owner or lessee of the mineral rights cannot make an arrangement with the person so entitled to the use of such surface rights, for entry upon the location, or for the acquisition of such interest in the surface rights as may be necessary, he may, with the consent of the Minister, submit the matter in dispute to a Judge of the District Court. O.C. 817, 1938.

#### **THE URBAN MINING OPERATIONS ACT**

This Act deals with the carrying on of underground mining operations within the limits of any city, town, or village, and provides for the appointment of mining inspectors, the right of entry and inspection of any mines so located, the quarterly delivery of up-to-date maps of the workings, and the appointment of commissioner of investigations.

### THE OIL AND GAS WELLS ACT

The Act applies to all oil and gas wells, whether drilled before or after its coming into force, and notwithstanding the terms of any lease or grant from the Crown in the right of Canada or from any other person.

It provides for the making from time to time of any necessary regulations for carrying out the purpose of the Act.

It also provides for the appointment of advisory committees or boards, for the purpose of inquiring into any matter or thing of a technical or scientific nature in relation to any oil or gas resources, the drilling for oil or gas, the management and operation of any oil or gas well, or the conservation of any source of supply of gas or oil. R.S.A. 1931, c. 46.

### THE OIL AND GAS CONSERVATION ACT

The Act applies to every well producing any petroleum product whether drilled before or after the coming into force of this Act and notwithstanding the terms of any lease or grant from the Crown in the right of Canada or from any other person to the contrary.

The Lieutenant-Governor in Council is authorized to constitute a Board—"The Petroleum and Natural Gas Conservation Board"—consisting of not more than three persons, one of whom shall be designated as chairman.

The purpose of the legislation is to effect conservation of the petroleum and natural gas resources of the Province by,—

- (a) Preventing the exhaustion from a producing petroleum area of the energy necessary to produce petroleum by any method shown to be uneconomic in that such method of production allows this exhaustion without proportionate recovery of petroleum to the end that the maximum ultimate recovery of petroleum can be attained;
- (b) Prorating the production of petroleum or natural gas from the wells in any area to the economic markets available in such manner that an uneconomic reduction of price is not brought about and in such manner that an equitable share of the available markets for petroleum or natural gas is available to each producing well.

The Board is a body corporate with full power and authority to perform, execute and carry out all the duties and functions assigned to the Board by the Act.

Very wide powers are given to the Board in relation to conservation.

Expenditures of the Board are attained through the annual assessment of all producing wells in the Province.

Agreement with the owners of producing wells may be negotiated by the Board for the purpose of providing for the payment to the owners of wells who have surrendered to the Board the right to produce from wells such compensation as the Board considers fair and reasonable and where

an insufficient amount is obtainable to provide such compensations, the Board may levy in any area by means of a special uniform rate upon the assessed value of all the producing wells in the area. R.S.A. 1938, c. 15.

### THE COAL MINES REGULATION ACT

This Act superseded the Mines Act (1927) and makes provision for the safe operation of mines in the Province and applies to mines of coal, shale, clay, including any operations incidental to the extraction of same by removing the overlying strata.

It requires that operations must be under the control of certificated officials and provides that rules be made for the conduct of examinations for certificates.

Provision is made that reports of operations must be forwarded monthly by each operator to the Minister on forms provided by the Minister.

Provision is made for the appointment of a Chief Inspector and District Inspector for the inspection of mines.

Power is given the Lieutenant-Governor in Council to make regulations, rules, and orders, for the better carrying out of the provisions of the Act; also as to the installation of electricity in mines; the leasing of coal mining rights under road allowances; and rock-dusting in dry and dusty mines.

### THE COAL MINERS' WAGES SECURITY ACT

This is an Act to make the payment of wages to miners more secure.

Every mine owner must, on the 15th day of May in each year, deliver to the Minister an annual statement of the total amount of the wages paid. He may be required to deliver a statement of assets and liabilities.

On or before the first day of June the mine owner must furnish a bond or other security in an amount equal to the greatest amount paid for wages in one month during the previous twelve months. This security may be reduced in case of operations having been intermittent. Penalties are provided for if the provisions of the Bill are not lived up to.

The Board of Public Utility Commissioners may on demand issue a certificate exempting the mine owner for a certain period from furnishing the necessary security, when satisfied that the mine owner has such resources to make assured the due payment of the wages of all coal miners employed by him.

### THE BOILERS ACT

The Act provides for the registration and periodical inspection of all boilers in use throughout the Province; also sets out a standard for construction and operation of all boilers, and requires that all steam boiler plants must be under the charge of certificated steam engineers.

## THE WORKMEN'S COMPENSATION ACT (ACCIDENT FUND)

The Act makes provision for compensation to be paid to workmen for accidents arising out of, and in the course of, their employment.

The Act is administered by a Board of Commissioners appointed by the Lieutenant-Governor in Council, and such Board is a body corporate.

Provision is made for the collection of a fund for the purposes of the Act and to cover the cost of administration by the Board making an assessment from time to time as they think expedient, and of such amount as they may consider necessary, on each employer for the period which has elapsed since the next preceding assessment was made.

The assessment is based on the total payroll, except where the payroll includes wages or salary of workmen who have been paid at a higher rate than \$2,000 per year, such excess amounts shall be deducted from the total payroll for the year, the assessment being based on the next payroll after such deductions have been made.

Every employer is required to forward a statement, on or before the 20th of January each year and at such times as the Board may require, showing the total amount of wages earned by all his workmen during the previous calendar year. The Board has the right to have the books of any or all employers audited as to the payroll, when adjustments are made as to assessments paid.

## THE COAL SALES ACT

The Act requires that all operators of coal mines shall register with the Provincial Secretary a name for the coal taken from their mines; also that no coal shall be sold or shipped except under the registered name.

It makes provision that every dealer, whether wholesale or retail, selling coal produced in Alberta shall state upon every bill, weigh-ticket, or invoice covering sales, the name of the mine, the district, and the name and size of grade of coal.

Penalties are provided for non-observance of the Regulations.

## MINING TAXATION

The Corporation Taxation Act provides that every company other than a municipal corporation, supplying or dealing in natural gas, is subject to a tax of one cent for every thousand cubic feet of gas, flowing, drawn or pumped from or produced by a well, owned, leased, occupied or operated by such company.

Where oil in paying quantities and natural gas are found in the same well, and the well is worked mainly for the production of oil, such gas shall not be subject to the tax hereby imposed.

Mining companies are subject to a tax of 40 cents for every thousand dollars of their authorized capital, with the provision that this annual tax shall not exceed the sum of \$500.

## LIST OF ACTS AND REGULATIONS

## III.

- The Coal Mines Regulations Act, R.S.A. 1930, c. 24, with Amendments up to date.  
 The Coal Miners' Wages Security Act.  
 The Coal Sales Act.  
 The Oil and Gas Wells Act, R.S.A. 1931.  
 The Oil and Gas Conservation Act, 1938.  
 The Boilers Act, R.S.A. 1922, c. 191, with Amendments to 1928.  
 The Urban Mining Operators Act, R.S.A. 1930, with Amendments to 1931.  
 The Workmen's Compensation Act (Accident Fund), R.S.A. 1922, c. 177, with Amendments to 1937.  
 The Corporations Taxation Act, 1934, and Amendments.  
 The Taxation Act, 1928.  
 The Alberta Companies Act.  
 The Alberta Securities Act, 1930, and Amendments.

*List of Regulations*Regulations *re.*—

- Right of Entry Upon Land
- Quartz Mining
- Placer Mining
- Leases to Dredge for Minerals in the beds of rivers
- Removal of Sand, Stone, and Gravel from beds of rivers and lakes
- Bar-diggings
- Quarrying
- Coal Mining
- Issue of Permits to mine coal for domestic purposes
- Petroleum and Natural Gas
- Issue of Permits to prospect for Petroleum and Natural Gas
- Respecting drilling and Production operations of Oil and Natural Gas Wells
- Issue of Carbon-black permits
- Salt Rights
- Alkali Mining
- Potash
- Disposal of Bituminous Sands

## ROYALTIES

## IV.

*Coal:* Royalty of 5 cents per ton of 2,000 pounds on all merchantable coal mined.

In the case of coal mined for domestic purposes, the royalty is 10 cents per short ton of merchantable coal produced.

*Petroleum and Natural Gas:* Royalty of 10 per cent of every product obtained; provided when recovery is through absorption plants or other processes, the royalty is as follows:

| Liquid Product Obtainable as shown by Test          | Proportion of<br>Royalty Payable |
|---|----------------------------------|
| 0.5 gallon and under, per thousand cubic feet.....  | 50 per cent                      |
| Over 0.5 to 0.6 gallon per thousand cubic feet..... | 60 " "                           |
| Over 0.6 to 0.7 gallon per thousand cubic feet..... | 70 " "                           |
| Over 0.7 to 0.8 gallon per thousand cubic feet..... | 80 " "                           |
| Over 0.8 to 0.9 gallon per thousand cubic feet..... | 90 " "                           |
| Over 0.9 gallon per thousand cubic feet.....        | 100 " "                          |

*Carbon-black:* Royalty levied on the quantity of gas recovered and used for the production of carbon-black, at the rate of 5 per cent of the value of the gas at the point of production, and payable monthly.

*Salt:* Royalty of 20 cents for every ton of salt sold or taken from the leasehold.

*Bituminous Sands:* Royalty at the rate specified in the lease, and not to exceed 5 cents for each ton of bituminous sand mined and sold without treatment, or 5 cents for each barrel of separated asphaltic oil or bitumen. (See Regulations re Disposal of Bituminous Sand Deposits.)

*Potash:* Royalty of 5 per cent of the sales of the products of the location.

*Quarrying:* Royalty of 5 cents per cubic yard on the products of the location for limestone, granite, slate, marble, gypsum, marl, gravel, sand, clay, volcanic ash, or any building stone.

*Quartz Mining:* Royalty at the rate of  $2\frac{1}{2}$  per cent, computed as follows:

*Gold.* Valued at \$15 an ounce; royalty  $37\frac{1}{2}$  cents an ounce.

*Silver.* Valued at 60 cents an ounce; royalty 15 mills an ounce.

*Copper.* Valued at 12 cents a pound; royalty 30 cents a hundredweight.

*Zinc.* Valued at 4 cents a pound; royalty 10 cents a hundredweight.

*Lead.* Valued at 4 cents a pound; royalty 10 cents a hundredweight.

All unspecified metals and minerals, royalty computed at rate of  $2\frac{1}{2}$  per cent of the value of the products.

*Placer and Dredging:* Royalty of  $2\frac{1}{2}$  per cent on all gold obtained from the locations, with gold valued at \$15 an ounce.

## BOUNTIES

V.

None.

## SCHEDULE OF FEES

## VI.

|   |         |
|---|---------|
| Abstracts from records.....   | \$ 2 50 |
| Amending description in lease (reducing area).....                                      | 2 50    |
| Amending description in lease (increasing area).....                                    | 5 00    |
| Application for cancellation of entry.....  | 2 00    |
| Application fee for a lease for Quartz Mining.....                                      | 10 00   |
| Application fee for a lease for Quarrying.....  | 5 00    |
| Application fee for a lease for Coal Mining.....  | 5 00    |
| Application fee for a lease for Petroleum and Natural Gas.....                          | 5 00    |
| Assignment or transfer fee.....   | 5 00    |
| Bar-diggings permit .....   | 2 50    |
| Certificates.....   | 2 50    |
| Certified copy of lease.....  | 10 00   |
| Certified copy of agreement of sale.....  | 5 00    |
| Copying documents, first page.....  | 2 00    |
| Copying documents, each succeeding page.....  | 1 00    |
| Lease of surface rights.....  | 5 00    |
| Prospecting permit for placer mining.....   | 5 00    |
| Quarrying permit for sand, gravel, or stone .....                                       | 2 50    |
| Rental of Quartz Mining claim granted under a lease.....                                | 50 00   |
| Rental lease for petroleum and natural gas rights,<br>for the first year, per acre..... | 0 50    |
| for each subsequent year, per acre.....   | 1 00    |
| Rental lease for mining coal, yearly, per acre.....                                     | 1 00    |
| Rental lease for salt rights, for first year, per acre.....                             | 0 50    |
| for each subsequent year, per acre.....   | 1 00    |
| Rental lease for alkali location, for first year, per acre.....                         | 0 25    |
| for each subsequent year, per acre.....   | 0 50    |
| Rental lease for bituminous sand rights, yearly, per acre.....                          | 0 50    |
| Fee for application for rights, for which no provision has been made.....               | 10 00   |

## REPRESENTATIVES

|  |                           |
|--|---------------------------|
| <i>Minister</i> .....                      | Hon. N. E. Tanner.        |
| <i>Deputy Minister</i> .....               | John Harvie.              |
| <i>Chief Inspector of Coal Mines</i> ..... | A. A. Millar.             |
| <i>Mining Inspectors:</i>                  |                           |
| A. B. Hunter.....                          | Edmonton.                 |
| Thomas Horne.....                          | Edson.                    |
| W. E. G. Hall.....                         | Lethbridge.               |
| W. G. Heeley.....                          | New Court House, Calgary. |
| Vacant .....                               | Camrose.                  |
| John Crawford.....                         | Drumheller.               |
| E. H. Morgan.....                          | Blairmore.                |

More detailed information and copies of the Mining Laws and Regulations for Alberta may be had on application to the Superintendent, Mining Lands Division, Department of Lands and Mines, Edmonton, Alberta.

## BRITISH COLUMBIA<sup>1</sup>

### I.

British Columbia entered Confederation in July 1871. Formerly it was a colony administered under the laws and regulations of England.

The first mining laws enacted by the Province of British Columbia were the Metalliferous Mines Regulation Act of 1872; The Mineral Act was passed in 1884, and the Coal Mines Act in 1888.

These Acts have been amended from time to time and are still in force. Also various other acts and regulations are in application, as further explained.

British Columbia owns and administers all the public lands within her boundaries, except the lands in the Dominion parks and Indian reserves. The usual form of title given by the Crown is a grant in fee simple. Placer mining leases are granted for a period of 20 years and are approximately 80 acres in area. On a lode claim of 51 acres the expenditure of \$500 in work, which may be spread over 5 years, is required to obtain a Crown grant, and surface rights are obtainable at a small figure, in no case exceeding \$5 per acre. The Province is divided into 41 mining divisions, over each of which is a Mining Recorder, and over groups of divisions of ranging sizes there are Gold Commissioners. There are six mining districts, each with a resident mining engineer.

## THE MINERAL ACT AND PLACER MINING ACT<sup>2</sup>

### FREE MINER'S CERTIFICATES

### II.

Any person 18 years of age and over, and any joint-stock company, may obtain a free miner's certificate on payment of the required fee.

The fee to an individual for a free miner's certificate is \$5 for one year. To a joint-stock company having a capital of \$100,000, or less, the fee for a year is \$50; if capitalized beyond this, the fee is \$100.

The possession of this certificate entitles the holder to enter upon all lands of the Crown, and upon any other lands on which the right to so enter is not specially reserved, for the purpose of prospecting for minerals, locating claims, and mining.

A free miner can hold, during any period of 12 months, either as agent or principal, not more than seven mineral claims within a distance of 10 miles from any other mineral claim (making a total of eight mineral claims) located by him during that period. Under the Placer-mining Act, a free miner may locate in any period of twelve consecutive months one placer claim or leasehold in his own name and one placer claim or leasehold for each of two free miners for whom he acts as agent on any separate creek, river bed, bar, or dry diggings. Other placer claims or leaseholds may be acquired by purchase.

<sup>1</sup> Prepared in collaboration with Dr. J. D. Walker, Deputy Minister, British Columbia Department of Mines, Victoria, B.C.

<sup>2</sup> Abstracted from Synopsis of Mining Laws of British Columbia as published by the British Columbia Department of Mines.

In the event of a free miner allowing his certificate to lapse, his mining property (if not Crown-granted) reverts to the Crown (subject to the conditions set out in the next succeeding paragraph), but where other free miners are interested as partners or co-owners the interest of the defaulter becomes vested in the continuing co-owners or partners *pro rata*, according to their interests.

Six months' extension of time within which to revive title in mining property which has been forfeited through the lapse of a free miner's certificate is allowed. This privilege is given only if the holder of the property obtains a special free miner's certificate within six months after June 1st on which his ordinary certificate lapsed. The fee for this special certificate in the case of a person is \$15 and in that of a company \$300.

It is not necessary for a shareholder, as such, in an incorporated mining company to be the holder of a free miner's certificate.

### MINERAL CLAIMS

Mineral claims are located and held under the provisions of the Mineral Act.

A mineral claim is a piece of land not exceeding in area 51.65 acres. The angles must be right-angles unless the boundaries, or one of them, are the same as those of a previously recorded claim.

No special privileges are allowed for the discovery of new mineral claims or districts.

Mineral claims must be recorded in the Mining Recorder's office for the mining division in which they are situate within fifteen days from the date of location, one day extra being allowed for each 10 miles of distance from the recording office after the first 10 miles. If a claim is not recorded in time it is deemed abandoned and open for relocation, but if the original locator wishes to relocate he can only do so by permission of the Gold Commissioner of the district and upon the payment of a fee of \$10. This applies also to a claim abandoned for any reason whatever.

Mineral claims are, until the Crown grant is issued, held practically on a yearly lease, a condition of which is that during such year assessment-work be performed on the same to the value of at least \$100, or a payment of such sum be made to the Mining Recorder. Such assessments must be recorded before the expiration of the year, or the claim is deemed abandoned. If, however, the required assessment-work has been performed within the prescribed time, but not recorded within that time, a free miner may, within thirty days thereafter, record such assessment-work upon payment of an additional fee of \$10. The actual cost of the survey of a mineral claim, to an amount not exceeding \$100, may also be recorded as assessment-work. If, during any year, work is done to a greater extent than the required \$100, any further sum of \$100—but not less—may be recorded and counted as further assessments; such excess work must be recorded during the year in which it is performed. All work done on a mineral claim between the time of its location and recording may be counted as work done during the first period of one year from the recording. As soon as assessment-work to the extent of \$500 is recorded and a survey made of the claim, the owner of a mineral claim is entitled to a Crown

grant on payment of a fee of \$25, and giving the necessary notices required by the Act. Liberal provisions are also made in the Act for obtaining mill-sites and other facilities in the way of workings and drains for the better working of claims.

The holder of a placer claim or leasehold has no right to any mineral deposit, as defined by the Mineral Act, within the limits of the placer claim or leasehold unless he has located and recorded the ground as a mineral claim.

### PLACER CLAIMS

Placer-mining is governed by the Placer-mining Act, and by the interpretation clause its scope is defined as "the mining of any natural stratum or bed of earth, gravel, or cement mined for gold or other precious minerals or stones." Placer claims are of four classes, as follows:

"'Creek diggings': any mine in the bed of any stream or ravine.

"'Bar diggings': any mine between high- and low-water marks on a river, lake, or other large body of water.

"'Dry diggings': any mine over which water never extends.

"'Precious-stone diggings': any deposit of precious stones, whether in veins, beds, or gravel deposits."

The following provisions as to extent of the various classes of claims are made by the Act:

"In 'creek diggings' a claim shall be 250 feet long, measured in the direction of the general course of the stream, and shall extend in width 1,000 feet, measured from the general course of the stream 500 feet on either side of the centre thereof.

"In 'bar diggings' a claim shall be:

"(a) A piece of land not exceeding 250 feet square on any bar which is covered at high water; or

"(b) A strip of land 250 feet long at high-water mark, and in width extending from high-water mark to extreme low-water mark.

"In 'dry diggings' a claim shall be 250 feet square."

The following provision is made for new discoveries of placer-mining ground:

"If any free miner, or party of free miners, discovers a new locality for the prosecution of placer-mining and such discovery be established to the satisfaction of the Gold Commissioner, placer claims of the following sizes shall be allowed to such discoverer, namely:

"To one discoverer, one claim..... 600 feet in length;

"To a party of two discoverers, two claims

amounting together to..... 1,000 feet in length;

"And to each member of a party beyond two in number, a claim of the ordinary size only.

"The width of such claims shall be the same as ordinary placer claims of the same class: provided that where a discovery claim has been established in any locality no further discovery shall be allowed within five miles therefrom, measured along the watercourses."

A placer claim must be recorded in the office of the Mining Recorder for the mining division within which the same is situate, within fifteen days after the location thereof, if located within 10 miles of the office of the Mining Recorder by the most direct means of travel. One additional day shall be allowed for every 10 miles additional or fraction thereof. The number of days shall be counted inclusive of the days upon which such location was made, but exclusive of the day of application for record. A claim which shall not have been recorded within the prescribed period shall be deemed to have been abandoned.

To hold a placer claim for more than one year it must be re-recorded before the expiration of the record or re-record.

A placer claim must be worked by the owner, or some one on his behalf, continuously, as far as practicable, during working hours. If work is discontinued for a period of seventy-two hours, except during the close season, lay-over, leave of absence, sickness, or for some other reason to the satisfaction of the Gold Commissioner, the claim is deemed abandoned.

Lay-overs are declared by the Gold Commissioner upon proof being given to him that the supply of water is insufficient to work the claim. Under similar circumstances he has also the power to declare a close season, by notice in writing and published in the *Gazette*, for all or any claims in his district. Tunnel and drain licences are also granted by him on the person applying giving security for any damage that may arise. Grants of right-of-way for the construction of tunnels or drains across other claims are also granted on payment of a fee of \$25, the owner of the claims crossed having the right for tolls, etc., on the tunnel or drain which may be constructed. These tolls, however, are, so far as the amount goes, under the discretion of the Gold Commissioner.

#### CO-OWNERS AND PARTNERSHIPS

In both the Mineral and Placer-mining Act provision is made for the formation of mining partnerships, both of a general and limited liability character. These are extensively taken advantage of and have proved very satisfactory in their working. Should a co-owner fail or refuse to contribute his proportion of the expenditure required as assessment-work on a claim he may be "advertised out," and his interest in the claim shall become vested in his co-owners who have made the required expenditure, *pro rata* according to their former interests.

It should not be forgotten that if any co-owner permit his free miner's certificate to lapse, the title of his associates is not prejudiced, but his interest reverts to the remaining co-owners; provided that said co-owner has not taken advantage of the six months' period of grace allowed for the taking out of a special free miner's certificate, thus reviving the title to his interest.

#### PLACER MINING LEASES

Leases of unoccupied Crown lands approximately 80 acres in extent may be granted by the Gold Commissioner of the district after location has been made by staking along a "location line" not more than one-half

a mile (2,640 feet) in length. In this line one bend, or change of direction, is permitted. Where a straight line is followed two posts only are necessary—namely, an “initial post” and a “final post.” Where there is a change of direction a legal post must be placed to mark the point of the said change. The leasehold is allowed a width not in excess of one-quarter mile (1,320 feet), and the locator, both on his “initial post” and in his notice of intention to apply, which is posted at the office of the Mining Recorder, is required to state how many feet are included in the location to the right and how many feet to the left of the location line.

The annual rental on a placer mining lease is \$30, and the amount to be expended annually on development work is \$250.

Provision is also made for the granting of special leases of areas in excess of that referred to above.

### PROVISIONAL FREE MINER'S CERTIFICATES (PLACER) ACT

This Act provides for the issuance of “provisional free miner's” certificates for the locating, recording, representing, and working of placer claims of a size, and according to the terms, and in the manner set out in Parts II and III of the Placer-mining Act. Any person 18 years of age and over who has resided in the Province continuously for a period of not less than six months prior to date of his application may, on application accompanied by a statutory declaration or other satisfactory evidence as to his age and period of residence in the Province, obtain from any Gold Commissioner or Mining Recorder a provisional free miner's certificate. No fees are payable in respect of such certificate, and it abolishes the fees payable in respect of the recording or re-recording of placer claims, but no record or re-record of a claim shall be granted for a longer period than one year without the payment of fees. It should be pointed out that the provisional free miner's certificate does not carry the privileges of an ordinary free miner's certificate as to the staking and working of placer mining leases or mineral claims.

The Act also gives the Lieutenant-Governor in Council, as a means of unemployment relief, power to make provision for the establishment, equipment, maintenance, and operation of one or more placer training camps at suitable locations, at which unemployed persons who hold provisional free miner's certificates and are British subjects may acquire knowledge and training in the art of placer mining and may be afforded gainful work in the recovery of minerals by placer mining. Reserves for the location of such camps shall not exceed one mile in length by one-half mile in width, and the right is given to enter into agreements with private holders under the Act for the development of their ground by means of unemployment relief camps.

### IRON AND STEEL BOUNTIES ACT, 1929

The Lieutenant-Governor in Council may enter into an agreement with any person whereby the Crown will pay to that person, out of the Consolidated Revenue Fund, bounties on pig iron and steel shapes when manufactured within the Province, as follows:

- (a) In respect of pig iron manufactured from ore, on the proportion produced from ore mined in the Province, a bounty not to exceed \$3 per ton of 2,000 pounds.
- (b) In respect of pig iron manufactured from ore, on the proportion produced from ore mined outside the Province, a bounty not to exceed \$1.50 per ton of 2,000 pounds.
- (c) In respect of steel shapes of commercial utility manufactured in the Province, a bounty not to exceed \$1 per ton of 2,000 pounds.

Bounty, as on pig iron under this Act, may be paid upon the molten iron from ore which in the electric furnace, Bessemer or other furnace, enters into the manufacture of steel by the process employed in such furnace; the weight of such iron to be ascertained from the weight of the steel so manufactured.

Bounty on steel shapes under this Act shall be paid only upon such steel shapes as are manufactured in a rolling mill having a rated productive capacity per annum of at least 20,000 tons of 2,000 pounds per ton.

No agreement entered under this Act shall remain in effect for a longer period than five years from the date of the agreement.

The total amount shall not exceed \$2,000,000 in the case of (a) and (b); and \$20,000 in any one year or \$100,000 in the aggregate in the case of (c).

#### PHOSPHATE MINING ACT, 1925

This Act took the mineral tricalcium phosphate out of the "Mineral Act" for the purpose of administration. This was done to make possible the staking of phosphate claims one mile square in area.

This Act has been repealed; subject, however, to the continuing in force of the provisions of the said Act to the full extent necessary to protect the rights held or exercisable by or accruing to any person by virtue of a subsisting licence or lease held under that Act.

The repeal comes into operation on the first day of June, 1939.

#### METALLIFEROUS MINES REGULATION ACT

At the 1935 session of the Provincial Legislature "An Act to amend and consolidate the Enactments regulating the Working of Metalliferous Mines, Quarries, and Metallurgical Works" was passed. This Act is known as the "Metalliferous Mines Regulation Act," and, in its general tone, its clear purpose is to maintain the highest standard in respect of safety and of healthy conditions, both on the surface and underground, in mining operations. The idea is not only to assure, as far as practicable, the protection of workmen against injury, but to establish those conditions best calculated to safeguard the health of the men employed. The Act also provides for the drafting of regulations, if such are found necessary, for the protection of men who are working under conditions which may lead to pulmonary disability.

This Act may be divided into six parts, as follows:

- (1) Administration.
- (2) Duties of owners, managers, and others.

- (3) Special Rules for protection of miners.
- (4) General Rules, having reference to: (a) Employees; (b) Ventilation; (c) Explosives and blasting; (d) Fire protection; (e) Connection between mines; (f) Mine signals; (g) Aid to injured; (h) Prevention of dust; (i) Handling of water; (j) Sanitation; (k) Protection of working places, shafts, winzes, raises, etc.; (l) Ladderways; (m) Shaft equipment and operation; (n) Testing of brakes; (o) Haulage; (p) Protection from machinery; (q) Electrical installations.
- (5) General Rules for quarries.
- (6) Supplemental.

### DEPARTMENT OF MINES ACT (1937)

The new "Department of Mines Act" gives effect to the consolidation of a number of existing Acts, and empowers the Minister of Mines to organize the Department, or to reorganize it from time to time to meet changing conditions in the mining industry. It provides for examination and certification of assayers; for the conducting of short courses of instruction in practical geology and mineralogy; and for the purchase of ore through the Provincial sampling plants. The said Act also provides for the expenditure of public moneys for the construction, reconstruction, or repair of trails, roads, and bridges to facilitate the exploration of mineral resources of any mining district, or in the operation and development of any mining property.

### COAL, PETROLEUM AND NATURAL GAS MINING LICENCES

*(Issued under the Coal and Petroleum Act)*

Any person desiring to prospect for coal, petroleum, or natural gas upon any unreserved lands held by the Crown may apply for a licence to do so over a rectangular block of land not exceeding 640 acres, of which the boundaries shall run due north and south and east and west, and no side shall exceed 80 chains (one mile) in length. Providing the land is unsurveyed, the applicant shall place at the corner of such a block a legal stake, or initial post, and shall inscribe thereon his name and the angle represented by such post, thus: "A.B.'s N.E.corner," or as the case may be, and shall post in a conspicuous place upon the said land notice of his intention to apply for a prospecting licence, and also in the Government office of the district within sixty days from date of staking, as well as publish in the *British Columbia Gazette* and in a local newspaper once each week for four consecutive weeks notice of his intention to apply.

The application for said licence shall be in writing, in duplicate, and shall contain the best written description possible, with a diagram of the land sought to be acquired, and shall be accompanied with a fee of \$100. The application shall be made to the Commissioner of Lands for the district, and by him forwarded to the Minister of Lands, who shall grant

The above-mentioned charges are allowable at the discretion of the Minister of Finance subject, however, to an appeal to the Lieutenant-Governor in Council.

The rate of income tax varies from 1 per cent to a maximum of 10 per cent on incomes of \$19,000 and over.

*Output Tax on All Mines Other than Coal* (Taxation Act). All mines, other than coal, are subject to a tax (payable quarterly) of 2 per cent on gross value of ore less cost of transportation from mine to reduction works and the cost of treating same at reduction works or on the mining premises.

Any such mine, not realizing on ore shipments a market value of \$5,000 in any one year, is entitled to a refund of the output tax paid.

*Coal Mines* (Taxation Act). The owner of a coal mine shall pay a tax of 10 cents a ton, of 2,240 pounds, produced from his mine or a tax on his income, whichever tax is the greater (Section 73).

Owners of coal lands are assessed thereon as follows:

*Class "A."* Lands from which coal is being mined at 1 per cent of assessed value.

*Class "B."* All other coal land at 2 per cent of assessed value. (See Sections 37 and 41, Taxation Act.)

*Unworked Metalliferous Mines* (Taxation Act). Crown-granted mineral claims, if unworked, that is to say upon which \$200 worth each of development or mining work has not been done in the preceding 12 months, are subject to a land tax of 25 cents per acre.

### LIST OF MINING ACTS

#### III.

Department of Mines Act, R.S.B.C., 1937, c. 47.

Mineral Act, R.S.B.C., 1936, c. 181, and Amendments.

Mineral Right-of-Way Act, R.S.B.C., 1936, c. 187.

Metalliferous Mines Regulation Act and Amendments, R.S.B.C., 1936, c. 189.

Placer Mining Act, R.S.B.C., 1936, c. 184, and Amendments.

Provisional Free Miner's Certificates (Placer) Act, 1936, c. 185.

Iron Placer Act, R.S.B.C., 1936, c. 180.

Iron and Steel Bounties Act, 1936, c. 26.

Phosphate Mining Act, Statutes, 1936, c. 183.

Coal and Petroleum Act, R.S.B.C., 1936, c. 175.

Coal Mines Regulation Act, 1936, c. 188.

Coal and Petroleum Products Control Board Act, 1937, c. 8.

Coal Sales Act, 1936, c. 176.

Taxation Act, 1936, c. 282.

The B.C. Companies Act.

Securities Fraud Prevention Act, 1936, c. 254.

### ROYALTIES

#### IV.

*Petroleum.* Royalty of 2½ cents a barrel (35 Imperial gallons) of crude petroleum.

## BOUNTIES

## V.

*Pig Iron.* A bounty not to exceed \$3 per short ton on the proportion of pig iron produced from ore mined in the Province.

A bounty not to exceed \$1.50 per short ton on the proportion of pig iron produced from ore mined outside the Province.

*Steel Shapes.* A bounty not to exceed \$1 per short ton on steel shapes of commercial utility manufactured in the Province. (See Iron and Steel Bounties Act, 1929.)

## SCHEDULE OF FEES

## VI.

|   |         |
|---|---------|
| Individual Free Miner's Certificate, annual fee .....                         | \$ 5 00 |
| Company Free Miner's Certificate (capital \$100,000 or less), annual fee..... | 50 00   |
| Company Free Miner's Certificate (capital over \$100,000), annual fee.....    | 100 00  |
| Recording mineral or placer claim .....                                       | 2 50    |
| Recording certificate of work, mineral claim .....                            | 2 50    |
| Re-record of placer claim .....   | 2 50    |
| Recording layover .....   | 2 50    |
| Recording abandonment, mineral claim .....                                    | 10 00   |
| Recording abandonment, placer claim .....                                     | 2 50    |
| Recording any affidavit .....   | 2 50    |
| Records in "Records of Conveyances," same as affidavits.                      |         |
| Filing documents, "Mineral Act" .....   | 0 25    |
| Filing documents, "Placer-mining Act" .....                                   | 1 00    |
| Recording certificate of work, placer-mining lease .....                      | 2 50    |
| For Crown grant of mineral rights under "Mineral Act" .....                   | 25 00   |
| For Crown grant of surface rights of mineral claim under "Mineral Act".....   | 10 00   |
| For every lease under "Placer-mining Act" .....                               | 5 00    |

## REPRESENTATIVES

|                                       |                                |
|---------------------------------------|--------------------------------|
| <i>Minister</i> .....                 | Hon. Geo. S. Pearson           |
| <i>Deputy Minister</i> .....          | Dr. J. F. Walker               |
| <i>Provincial Mineralogist</i> .....  | Dr. J. F. Walker               |
| <i>Chief Gold Commissioner</i> .....  | R. J. Steenson                 |
| <i>Chief Mining Engineer</i> .....    | Philip B. Freeland             |
| <i>Chief Inspector of Mines</i> ..... | J. Dickson                     |
| <i>Provincial Assayer</i> .....       | W. E. Whittaker                |
| <i>Resident Mining Engineers:</i>     |                                |
| District No. 1—Prince Rupert .....    | J. T. Mandy                    |
| District No. 2—Hazelton .....         | Douglas Lay                    |
| District No. 3—Penticton .....        | M. E. Hedley                   |
| District No. 4—Penticton .....        | M. E. Hedley                   |
| District No. 5—Nelson .....           | H. Sargent                     |
| District No. 6—Vancouver .....        | B. T. O'Grady                  |
| <i>Mining Inspectors:</i>             |                                |
| Fernie .....                          | John McDonald and H. E. Miard  |
| Nanaimo .....                         | Geo. O'Brien and T. R. Jackson |
| Princeton .....                       | J. G. Biggs                    |
| Prince Rupert .....                   | Chas. Graham                   |
| Victoria .....                        | Jas. Strang                    |

More detailed information and copies of the Mining Laws of British Columbia may be obtained on application to the Deputy Minister of Mines, British Columbia Department of Mines, Victoria, B.C.

## SUPPLEMENT

## ROYALTIES LEVIED IN CANADA

*Alkali*

- Dominion Lands.... 25 per cent per ton shipping weight  
 12½ per cent of selling value when royalty exceeds that percentage.  
 2 cents per gallon when product is shipped in solution.  
 Alberta ..... Fixed by Order in Council.

*Carbon-black*

- Dominion Lands.... 5 per cent of value of gas at well.  
 Alberta ..... 5 per cent of value of gas at well.

*Copper*

- Dominion Lands.... 3 per cent upon annual profits, and up.  
 (See "Quartz Mining.")  
 Nova Scotia ..... 4 cents per unit, in each ton of copper ore sold or smelted.

*Coal*

- Dominion Lands.... 5 cents per short ton.  
 Indian Lands ..... 12 cents per short ton.  
 Nova Scotia ..... 12½ cents per long ton for coal used in manufacture of coke or other manufactured fuel.  
 New Brunswick .... As fixed by Lieut.-Governor in Council but not to exceed 15 cents a long ton. Present rate 10 cents a long ton.  
 Saskatchewan ..... 5 cents per short ton.  
 Alberta ..... 5 cents per short ton.

*Iron*

- Dominion Lands.... 3 per cent upon annual profits, and up.  
 (See "Quartz Mining.")  
 Nova Scotia ..... 5 cents on every long ton of ore sold or smelted.

*Lead*

- Dominion Lands.... 3 per cent upon annual profits, and up.  
 (See "Quartz Mining.")  
 Nova Scotia ..... 2 cents per unit.

*Petroleum and Natural Gas*

- Dominion Lands.... May be charged, varying from 2½ to 10 per cent of value of product.  
 Indian Lands ..... 10 per cent of the value of the output.  
 New Brunswick .... 5 per cent of the value at the well's mouth.  
 Ontario ..... None.  
 Alberta ..... On sliding scale, from 5 to 10 per cent of the value of any product obtained.  
 British Columbia.... 2½ cents a barrel (35 Imperial gallons) of crude petroleum.

*Placer*

- Dominion Lands.... 2½ per cent on gold shipped from Yukon territory.

*Salt*

- Alberta..... 20 cents per short ton.

ROYALTIES LEVIED IN CANADA—*Concluded**Zinc*

Dominion Lands.... 3 per cent upon annual profits, and up.  
(See "Quartz Mining.")

Nova Scotia ..... 2 cents per unit.

*Other Minerals*

Dominion Lands.... 3 per cent upon annual profits in excess of \$10,000 to \$1,000,000.  
5 per cent upon annual profits in excess of \$1,000,000 to \$5,000,000.

6 per cent upon annual profits in excess of \$5,000,000 to \$10,000,000.

1 per cent proportional increase upon annual profits in excess of \$10,000,000 for each additional \$5,000,000.

Nova Scotia ..... 5 per cent of their value (except for coal, copper, iron, lead, and zinc). Minister may substitute same rate as applied to Dominion Lands.

New Brunswick .... Subject to such royalty as may from time to time be imposed (except for coal, oil shale, petroleum, and natural gas).

## BOUNTIES

In cases where it is considered advisable for the Government to encourage the production of a particular commodity, bounties paid by the Government are recognized substitutes for protective duties.

In the past they have been made use of by Canada to a considerable degree. The only bounties at present being paid are those on coal. The bounty on bituminous coal was the outcome of a recommendation of the Royal Commission on Maritime claims relating to the use of Canadian coal in the manufacture of iron and steel. The rate is 49½ cents per short ton of coal. First payment was made during the fiscal year of 1930-31, and total payments to March 31, 1937, were \$1,000,801 on 2,023,840 tons of coal.

*Bounties Offered in Canada**Iron Ore*

Quebec ..... A premium at the rate of  $\frac{1}{3}$  of 1 cent for each unit of iron metal contained in every ton of iron ore.

Ontario ..... A bounty of 1 cent per unit of metallic iron in the long ton of low-grade iron ore beneficiated in Ontario so as to be suitable for use in the blast furnace, or on natural ore of commercial quality smelted in Canada. The bounty is payable for a period of ten years starting January 1, 1939.

British Columbia.... *Pig iron*: A bounty not to exceed \$3 per short ton on the proportion of pig iron produced from ore mined in the Province.

A bounty not to exceed \$1.50 per short ton on the proportion of pig iron produced from ore mined outside the Province.

*Steel-shapes*: A bounty not to exceed \$1 per short ton on steel shapes of commercial utility manufactured in the Province.

*Coal*

Dominion..... Payment out of Consolidated Revenue Fund of 49½ cents per ton of bituminous coal mined in Canada and converted to coke used in the manufacture of iron and steel.

Previous bounties were as follows:

*Lead:* Bounties were paid from 1897 to 1916. The amount paid was not to exceed \$2,450,000 and the total amount paid was \$1,979,216. The Lead Bounty Act expired in 1918. The rate was 75 cents per 100 pounds on lead contained in lead bearing ores in Canada.

*Zinc:* Bounties were paid from about July 1919 to March 1921 and totalled \$400,000, the amount stipulated by Zinc Bounty Act of 1918, which expired July 31, 1921. The bounty was equal to the difference between the standard price of zinc and 9 cents per pound when the price was below 9 cents and the bounty was not to exceed 2 cents per pound. A previous bounty act was passed in 1916 but no payment was made under this act.

*Copper:* The Copper Bounty Act of 1923 expired in June 1931 and the total amount paid was \$611,763 on 101,604,182 pounds of bars and rods. The bounty was on a sliding scale, starting at  $1\frac{1}{2}$  cents per pound for the fiscal year 1923-24 and yearly decreasing by  $\frac{1}{4}$  cent to  $\frac{1}{2}$  cent for the year 1927-28 and subsequent years. Various regulations were passed to regulate the payment of the bounties.

*Iron and Steel:* Bounties were paid from 1896 to 1912 to the extent of \$16,785,827. The bounty on steel varied over a period of years, reaching a maximum of \$3 per ton from July 1897 to April 1902 and a minimum of 60 cents per ton in 1910, when the bounty ceased. Bounties on wire rods were paid at \$6 per ton from October 1903 to June 1911. Bounties at various rates were paid on manufactured and semi-manufactured products over a period of years.

*Petroleum:* Bounties were paid from 1905 to 1927 totalling \$3,457,173 on 233,135,217 gallons. The bounty was originally  $1\frac{1}{2}$  cents per Imperial gallon; it was gradually reduced to  $\frac{3}{4}$  cent in June 1924 and ceased on June 30, 1925.

The total payment of bounties on mineral products between 1896 and March 31, 1937, amount to \$24,235,000.

622(21(06) 795,c.4

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Canada, mines branch reports.

795, mining laws of Canada,  
3rd rev. ed., 1939, o.p.,c.4.

