

Mining Act Overhaul ?

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I heard an interview on the CBC the other day regarding the Mining Act. The interviewee from the Trondek Hwechin First Nation cited two aspects of the Act that he wanted changed, and that I will address below.

The Yukon Gold Royalty originally was charged to pay for government services. It was before Income Tax was instituted in 1917. Income Tax was instituted as a temporary tax to pay for the War Effort. However, it still exists, and it is used to pay for government services, so it duplicates the Gold Royalty rationale. We all pay Federal and Territorial Income tax. Companies pay both, as do individuals. When it became clear that Income Tax was here to stay, the Royalty should have been abolished.

Secondly, the interviewee, was calling for another layer of oversight in the mining process, this time by the First Nations. His reasoning was that the Mining Act is outdated. I will start by saying that the regulations within the Mining Acts, both Quartz and Placer, are being updated continually. Today, to mine we need permits from the Yukon Environmental Socioeconomic Assessment Board (YESAB), Water Board, Mining Permit, Environmental Department Permit, Fuel Permits, Hazardous Waste Transportation permits, etc.. It seems that we have a new set of permit requirements every 5 years.

Reclamation is a big part of the regulations and the permits noted above. Any cost-effective mining plan incorporates reclamation in an on-going basis. The Mining Inspectors are responsible for reclamation oversight and do a good job of this. The punishment for not complying with the regulations are fines and loss of license.

Adding another layer of redundant regulations and oversight will add more cost to conducting business in the Yukon. In a country where the GDP growth per capita in the last 5 years has been .3% per annum, we should be concentrating on streamlining burdensome regulations and not adding more.

The reason for the First Nations wanting to look at the Yukon Gold Royalty and Mining Regulations is very suspicious. It appears they want to create another revenue stream for themselves.

One more comment. The idea of restricting who can stake claims in the Yukon is something that should not be tolerated. That idea is nothing more than discrimination plain and simple. Creating a two class or multiple class system is very divisive. Whoever is promoting such an idea should give their head a shake.

Lisle Gatenby
Yukon Miner