

MINING news

Depressing Results

The expected implications of the Carter Report on Taxation have had a depressing effect on the Canadian mining industry, the president of a B.C. mining company said Friday.

W.D. Yorke-Hardy of Moly mine Ltd., said that in the Smithers-Terrace area, where the company's properties are located, effects of the Carter proposals have been widespread.

He cited the decision of Noranda not to proceed with a \$30 million development of its Newman property at Babine Lake saying projected parallel development of real estate has also been forced into mothballs.

Yorke-Hardy was speaking at Moly mine's annual meeting held in Hotel Georgia.

He said he concurred completely with the analysis and criticisms of the Carter report made Thursday by P.M. Reynolds, president of Bethlehem Copper Corp. at that company's annual meeting.

The so-called tax-free startup period for new mines is a misnomer, said Yorke-Hardy.

"The three-year period is anything but tax free," he said, adding that Moly mine, through its shareholders has been paying various taxes since exploration first started.

"I don't feel the Carter Commission was aware of what the implications from its recommendations would be," he said.

Yorke-Hardy was also critical of what he described as an unheralded B.C. ruling he said tends to restrict the exploration activity of min-

ing companies in this province.

This, he said, was the April ruling of the forestry branch requiring mining companies to have all programs approved by a forest service supervisor.

Yorke-Hardy said that while not denying the need for forest supervision, inspection delays could further shorten already short work seasons in many parts of the province.

There is added expense in bulldozer work and in stumpage for trees removed in ground preparation.

"If every mining company seeks permission at the same time to go ahead with work, many programs won't get off the ground," Yorke-Hardy said.

In a third point of attack, Yorke-Hardy hit at the commercial activity and access by private companies into part of the big park area.

"The park is now reserved for public use," he said, "and the public can't get in without a plane or a 100-mile boat trip."

The conservancy area, Yorke-Hardy said, is one of prime geological significance that now is out of bounds of the mining industry.

The ruling for Tweedsmuir, he said, had stopped Phelps Dodge from building an access road through the park. An alternate route would cost the company some \$25 million.

"These restrictions come without warning and concern us greatly," said Yorke-Hardy.

Shareholders learned Friday the company has \$120,000 in the treasury, adequate to go ahead with all recommended plans for the season.