

inland waters to the outer limits of the territorial sea of Canada, as defined in the Territorial Sea and Fishing Zones Act . . .". The Court also decided that the Federal Government owns and has legislative jurisdiction "in respect of the mineral and other natural resources of the sea bed and subsoil beyond that part of the territorial sea of Canada . . . to a depth of 200 meters or, beyond that limit, to where the depth of the superjacent waters admits of the exploitation of the minerals and other natural resources of the said area".

In addition, the mineral rights of some small and usually isolated areas scattered throughout the provinces are vested in the Crown in the right of Canada. The Department of Energy, Mines and Resources is responsible for the disposition of mineral rights and for the administration and enforcement of regulations relating to minerals in Canada's offshore areas, other than those under Arctic coastal waters, in Hudson Bay, the islands in Hudson Bay, Hudson Strait and the small parcels above mentioned. The Department of Indian Affairs and Northern Development is similarly responsible in the Yukon Territory, the Northwest Territories and the offshore rights under Arctic coastal waters; this Department also acts as adviser to Indian bands in Indian reserves and is responsible for the administration and enforcement of the relevant regulations.

Mineral rights of Indian reserves in the provinces are also vested in the Crown in the right of Canada and are administered by the Indian Affairs Branch of the Department of Indian Affairs and Northern Development. The minerals on an Indian reserve may be developed under the Indian Oil and Gas Regulations or the Indian Mining Regulations for the benefit of the Band of Indians having rights to the reserve, only after the Band has given approval by referendum. Indian Band Councils are encouraged to take a share of responsibility in the management of their mineral resources.

Mining exploration is carried out in the Yukon Territory in accordance with the provisions of the Yukon Quartz Mining Act and the Yukon Placer Mining Act; in the Northwest Territories, including Arctic coastal waters, operations are governed by the Canada Mining Regulations 1961 as amended. There are also the Territorial Dredging Regulations, Territorial Coal Regulations and Territorial Quarrying Regulations common to both territories. In the Yukon Territory, mining rights may be acquired by staking claims under the appropriate Acts or Regulations. A one-year lease may be obtained to prospect for the purposes of placer mining, renewable for two additional periods of one year each; a 21-year lease, renewable for a like period, may be obtained under the Yukon Quartz Mining Act.

Under the Canada Mining Regulations, a prospector's licence is required. Staked claims must be converted to lease or relinquished within ten years. In certain areas, a system of exploration by permit over large areas is allowed. Any individual over 18 years of age or any joint-stock company incorporated or licensed to do business in Canada may hold a prospector's licence. No lease will be granted to an individual unless the Minister of the Department involved is satisfied that the applicant is a Canadian citizen and will be the beneficial owner of any interest acquired under such lease; no lease will be granted to a corporation unless the Minister is satisfied that at least 50 p.c. of the issued shares of the corporation are owned by Canadian citizens or that the shares of the corporation are listed on a recognized Canadian stock exchange and that Canadians will have the opportunity of participating in the financing and ownership of the corporation. Any new mine beginning production after the Canada Mining Regulations came into force in 1961 will not be required to pay royalties for a period of 36 months, starting from the day the mine comes into production. Production date is established as the date determined under the provisions of the Income Tax Act.

An exploration assistance fund for petroleum and other minerals in the Yukon and Northwest Territories was established by the Federal Government in 1966. Initially limited to \$3,000,000 per year, the fund may provide 40 p.c. of the cost of approved exploration programs. Assistance is available only to Canadian citizens or companies incor-