

Development Branch of the Department of Indian Affairs and Northern Development in consultation with the Indian band councils. The rights to a reserve may be taken up only after the Indian band has given approval for development through a referendum vote. The minerals are then administered under the Indian Oil and Gas Regulations or the Indian Mining Regulations, except in British Columbia where mining rights must be acquired under provincial statutes and the BC Indian Reserves Mineral Resources Agreement of 1943. The Indian Oil and Gas Regulations provide for disposal of rights by public tender in the form of permit or lease parcels. The Indian Mining Regulations, on the other hand, provide for disposal based on terms negotiated with the Indian band council. The Indian councils are thus assuming a greater share of responsibility in the management of their mineral resources. Officers of the Department of Indian Affairs and Northern Development are advisers to the Indian councils on mineral matters and are responsible for the administration and enforcement of relevant regulations.

Federal mining laws and regulations

12.3.2

Mining exploration and development 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. The Territorial Dredging Regulations, Territorial Coal Regulations and Territorial Quarrying Regulations are common to both territories. In the Yukon Territory, mining rights may be acquired by staking claims. A one-year lease may be obtained to prospect for the purposes of placer mining, renewable for two additional one-year periods; 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 must be licensed. Staked claims must be converted to lease or relinquished within 10 years. In certain areas, a system of exploration over large areas is allowed by permit. 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 is 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 the interest acquired under such lease. No lease is granted to a corporation unless it is incorporated in Canada and unless the minister is satisfied that at least 50% of the issued shares are owned by Canadian citizens or that the shares are listed on a recognized Canadian stock exchange. Any new mine beginning production after the Canada Mining Regulations came into force in 1961 is not required to pay royalties for 36 months.

An exploration assistance fund for petroleum and other minerals in the Yukon and Northwest Territories was established by the federal government in 1966. Assistance to a single applicant is limited in aggregate to \$50,000, but not exceeding 40% of the approved cost of an exploration program. Assistance is available only to Canadian citizens or companies incorporated in Canada. Named the Northern Mineral Exploration Program, it is designed to encourage investment from Canadian sources not previously attracted to investment in northern exploration operations.

Provincial mining laws and regulations

12.3.3

In general, all Crown mineral lands lying within provincial boundaries (with the exception of those within Indian reserves, national parks and other lands which are under federal jurisdiction) are administered by the provincial governments. The exception is Quebec where mining rights on federal lands are administered by the province.

The granting of land in any province except Ontario no longer automatically carries with it mining rights upon or under such land. In Ontario, mineral rights