

wholly owned by a corporation that meets either of these two corporate requirements.

The Oil and Gas Production and Conservation Act provides for comprehensive control over all oil and gas operations in the territories and off-shore regions including such matters as safety, the prevention of waste and pollution, production, conservation, storage, transmission, and unitization of oil and gas fields. An Oil and Gas Committee of five members appointed by the Governor in Council is empowered to hold inquiries, to hear appeals, and to make orders in connection therewith.

Federally owned mineral rights within the provinces that are available for development (except those in Indian lands) are administered by the Department of Energy, Mines and Resources under regulations promulgated pursuant to the Public Lands Grants Act.

12.3.4 Provincial mining laws and regulations

In general, all Crown mineral lands lying within the boundaries of the several provinces (with the exception of those within Indian reserves, national parks and other lands which are under the jurisdiction of the federal government) are administered by the respective provincial governments. The exception is Quebec where all mineral rights except those granted with lands conceded to individuals prior to July 29, 1880 are administered by the province; also, mining rights on federal lands in Quebec 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 are expressly reserved if they are not to be included. In Nova Scotia, no mineral rights belong to the owner of the land except those pertaining to gypsum, agricultural limestone and building materials, and the Lieutenant Governor in Council may declare deposits of either limestone or building materials to be minerals. Such declaration is to be based on economic value or to serve the public interest. In such case, the initial privilege of acquiring the declared minerals lies with the owner of the surface rights who must then conform with the requirements of the Mines Act. In Newfoundland, mineral and quarry rights are expressly reserved. Some early grants in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Quebec and Newfoundland also included certain mineral rights. Otherwise, mining rights must be obtained separately by lease or grant from the provincial authority administering the mining laws and regulations. Mining activities may be classified as placer, general minerals (or veined minerals and bedded minerals), fuels (coal, petroleum and gas) and quarrying. Provincial mining regulations under these divisions are summarized in the following paragraphs.

In most provinces in which placer deposits occur there are regulations defining the size of placer holdings, the terms under which they may be acquired and held, and the royalties to be paid.

General minerals are sometimes described as quartz, lode, or minerals in place. With the exception of British Columbia, the most elaborate laws and regulations apply in this division. In all provinces except Alberta and Saskatchewan, a prospector's or miner's licence, valid for one year, must be obtained to search for mineral deposits, the licence being general in some areas but limited in others; a claim of promising ground of a specified size may then be staked. In Manitoba and British Columbia a licence is required only for staking and any number of dispositions may be staked under one licence. A claim must be recorded within a time limit and payment of recording fees made, except in Quebec where no fees are required. Work to a specified value per annum must be performed upon the claim for a period of up to 10 years except in Quebec where a development licence may be renewed on a yearly basis; also in Manitoba and Saskatchewan there is no work commitment in the first year of the claim. The maximum life of a prospecting licence in Nova Scotia is six years continuous from the original date of issue, after which the operator is expected to go to lease with a productive deposit. In Quebec and Nova Scotia a specified cost of work must be performed and any excess amount expended may be applied to subsequent renewals of the development licence. The taxation applied most frequently is a percentage of net profits of producing mines or royalties. In Saskatchewan, subsurface mineral regulations covering non-metallics stipulate the size and type of dispositions that may be made in order to maintain the disposition in good standing, provide for fees, rentals and royalties, and set out generally the rights and obligations of the disposition holder.

In provinces where coal occurs, the size of holdings is laid down together with the conditions of work and rental under which they may be held. In Quebec, the search for petroleum