

way, the government ought to settle that point definitely. I have been under the impression that the mineral rights on Indian reserves were inherent in the land itself. That is not so in crown lands; in most provinces the mineral rights are separate and distinct from the surface rights. In the case of most Indian reserves, however, I understand that the mineral rights—and oil is included—are inherent in the land.

Mr. CRERAR: That is right.

Mr. STEVENS: That point ought to be made very clear, because if after the passage of this measure the courts decided that the mineral rights, once they were disposed of, were in the province, then the Indian would be without any recompense for the surrender of these rights. That is a most important point and one that should be determined. As regards the other point which the minister has already dealt with in part, namely, the method of dealing with these leases, I am not satisfied that these valuable mineral rights, which are daily becoming more and more important, should be surrendered or the lease authorized under the present procedure. I am not in any sense reflecting upon the minister as Superintendent General of Indian Affairs or upon his deputy or upon his staff, because generally speaking the Indian department has been carefully and conscientiously administered. But we are considering an estate in relation to which the government is executor or trustee, and it must be administered with all the care which is recognized as belonging to an executor or a trustee position. It strikes me that before this bill is passed the government ought to survey the present method of surrender, and possibly they may find it desirable to clarify or stiffen up the process which hitherto has been followed in connection with these surrenders. I confess that from my own knowledge I am of the opinion that the procedure is altogether too loose. Generally speaking the matter is more or less trivial, only a few hundred dollars being involved. But when you come to this sort of thing, the present method is not, in my judgment, adequate for the protection of Indian rights. So I would urge that the minister be prepared, when the bill comes down, to give definite assurances to the house of sufficient and adequate safeguarding of the rights of the Indians in these matters.

I also feel that we should not issue leases under the proposed act in the same way as we might issue leases or rights on ordinary crown lands, say in the Northwest Territories. In other words, we should

[Mr. Stevens.]

not treat mineral activities on an Indian reserve in the same way that we treat such activities on crown lands. There should be a definite royalty system adopted which would be of permanent benefit to the Indians. That is not something which can be arrived at hurriedly without very careful thought. I am not prepared at the moment to offer any suggestions as to the level at which such royalties should be fixed. But they should be adequate and perpetual royalties where valuable mineral deposits are developed, bringing permanent revenue to the Indian band affected. In the southwestern United States there have been some remarkable fortunes realized by Indians through the development of oil reserves on their lands. Something similar might very well develop in some of the northern sections of our country, or indeed in the older provinces where minerals are now being discovered in connection with Indian lands. The point is that the return to the Indians ought to be safeguarded with just as great care as if we were administering an estate in the ordinary sense as trustees or executors.

Mr. TAYLOR (Nanaimo): In view of what has just been said, and bearing in mind that all sub-surface resources are wasting, what has the minister or the government in mind about the justice that should be meted out to the Indians as these resources are taken from the property?

Mr. CRERAR: If I may deal first with the observations of the hon. member for Kootenay East (Mr. Stevens) I do not think there is any question that the Indians have a right not only to what is on the surface of Indian reserves but to what is under the surface as well, in all the provinces of Canada with the possible exception of Quebec. I think the same thing holds true in Quebec; but there is this feature there, that if a reserve is surrendered it goes back to the province; it does not remain in the control of the federal authority.

Mr. STEVENS: Of course the same thing is claimed for British Columbia, in the famous reversionary rights claim.

Mr. NEILL: Does that apply to the reserves in the former railway belt in British Columbia?

Mr. CRERAR: I cannot say as to that at the moment. The hon. member for Kootenay East also referred to the matter of surrender. The government as well as the Indians have to be a party to the disposal of any property on the reserves. If the Indians vote to dispose of certain hay or pulpwood, or, in this