

## TRADE

## ENERGY—EFFECT OF CANADA-UNITED STATES TRADE AGREEMENT—PROVINCIAL RIGHTS

**Mr. Jim Fulton (Skeena):** Mr. Speaker, my question is for the Deputy Prime Minister. Section 92(a) of the Constitution clearly gives the provinces ownership rights over natural resources including energy. That includes the right to determine the rate of development, production and sale of a resource. What the trade deal states is that Canada will not impose any quantitative trade or cost restrictions on energy exports. At page 35 it states that Canada will take all necessary measures to provide permanent and full U.S. access.

Will the Deputy Prime Minister confirm that this deal attempts to remove provincial resource rights and that their consent as provinces must be obtained for this deal to have any validity whatever in law?

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** The answer is a categorical no, Mr. Speaker.

**Mr. Fulton:** That is very interesting, Mr. Speaker.

## ACCESS TO GASOLINE SUPPLIES

**Mr. Jim Fulton (Skeena):** Mr. Speaker, my supplementary question is also for the Deputy Prime Minister.

How can the federal Government promise in this agreement to give proportional access to the U.S. in cases of shortages of supply? Let me make it abundantly clear what that means. When the next oil crisis comes, which will come as surely as the sun rises, a driver, a car owner, in Prince Rupert or Montreal, being told that there are restrictions on his or her access to gasoline will not be able to fill up, but will know that at the same time U.S. drivers south of the border can fill up on Canadian gasoline. You tell me what the hell kind of a deal that is.

**Mr. Speaker:** I hope Hon. Members could constrain their enthusiasm. I might say to the Hon. Deputy Prime Minister that in his reply perhaps he could restrain any temptation to reply in kind.

**Mr. Broadbent:** That is the kind of deal Mexico wouldn't sign.

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, before the Hon. Member starts swearing at me, perhaps he might learn a little bit about the energy business. I know he is just a new critic.

**An Hon. Member:** They dumped the old one.

**Some Hon. Members:** Oh, oh!

**Mr. Mazankowski:** I can best answer the Member's question by quoting a Senator from western Canada, Senator Olson who, I think, put the energy provisions of the free trade

## Oral Questions

arrangement into perspective. If the House will allow me, I will quote because I think it should bring some objectivity to the debate. The Hon. Senator said: "We were committed to share with the United States before. We have been committed to sharing our energy resources, particularly oil with the United States since 1974. If there was a shortage, there is nothing new in that. I also know very well, as does the Leader of the Government, that if we got into a very serious situation where there was a shortage that required us to share our natural gas flow with the consumers in the United States, we would do that. In any event, there is no question about that. So what is so great about that? I have read the agreement and there is nothing in it that advances us from where we are today".

## CONSULTATION WITH PROVINCES

**Mr. Russell MacLellan (Cape Breton—The Sydneys):** Mr. Speaker, my question is for the Deputy Prime Minister. With all due respect to the Deputy Prime Minister and the Hon. Senator, they are both wrong.

**Some Hon. Members:** Oh, oh!

**Some Hon. Members:** Hear, hear!

**Mr. MacLellan:** Ontario, Manitoba, Prince Edward Island and Newfoundland have all said that prior to the signing of the free trade agreement there was no substantive discussion on energy with the provinces.

Why did the Government on such important issues as non-discriminatory access to our energy supplies support a proportional sharing of our resources? Why did the federal Government not discuss these items with the provinces or at least even mention to the provinces that these were on the table?

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, I thought I answered that question yesterday. Further to my response yesterday, the Deputy Trade Commissioner was quoted on CBC news last night as saying that he, in fact, did provide the energy briefings himself. Premier Devine said: "Energy has always been on the table because it is a big trading item. For someone to say that we didn't have oil and gas on the table or it wasn't in the negotiations is simply not accurate".

**Mr. MacLellan:** Mr. Speaker, there is a big difference on items such as this that are in the first free trade agreement with the United States and changing the carburetor on your car. I am talking about substantive issues. It is obvious that the Americans wanted this in the free trade agreement.

## GOVERNMENT POSITION

**Mr. Russell MacLellan (Cape Breton—The Sydneys):** Why, Mr. Speaker, did the Government have a hidden agenda on energy with the United States when signing this free trade agreement, completely oblivious to everybody else outside the