Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): Mr. Speaker, it has been acknowledged here in Canada, in the U.S., and throughout the world, that the dispute settlement mechanism negotiated during the bilateral trade talks is a very unique achievement, one that will probably set the stage for further activities of this kind around the world.

I am not surprised that the Province of Ontario would draw the conclusion it has. I understand that during the course of the hearings the provincial Government entertained only those who were opposed to the free trade arrangement rather than those who would present a balanced point of view. It is obvious that they would come to that kind of conclusion.

ENERGY SECTOR—PROVINCIAL RIGHTS

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is also directed to the Deputy Prime Minister. Yesterday, as he knows, the Minister of Energy said that the Supreme Court of Canada may have to decide whether the energy part of the trade deal violates provincial constitutional rights to control resources. I have here a copy of the briefing notes for the Minister of Energy which, by the way, I confirmed have been sent to his office and he knows about them.

Mr. McKnight: How did you confirm that?

Mr. Nystrom: They also indicate concern about provincial rights.

I want to ask the Minister why, on the one hand, the Minister of Energy believes this issue may have to be decided by the Supreme Court, but on the other hand is still saying these rights have not been trampled upon? His own officials are saying there is some concern in this area.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the Government position is very clear. I do not know if the Hon. Member was in the House a little earlier in Question Period when I read this, but I will read it to him again in case he was not. It is found on page 9820 of Hansard of October 8. To quote the Minister for International Trade:

I can only repeat that in our energy negotiations we secured access for all forms of energy which this Government has put in place. I can also assure him that any rights the provinces had before this agreement concerning their own policies, they will have after this agreement.

ALLEGED DIFFERENCE BETWEEN DRAFTS OF AGREEMENT

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, perhaps the Parliamentary Secretary does not know what the Minister has been told. The briefing notes say, and this is a very senior official in the Department—

Some Hon. Members: Who?

Oral Questions

Mr. Nystrom: —that the question of provincial compliance is a very sensitive area and the Prime Minister himself should be dealing with it.

On page three of these briefing notes the Government acknowledges that there is now a discrepancy in the area of incentives for future gas and oil exploration between the original draft and a more recent detailed draft which weakens the Canadian Government's position to pursue incentives independently in this area. Does the Deputy Prime Minister acknowledge the difference between the original draft and a more detailed draft? Can he also tell the House whether or not he would agree to have this more detailed recent draft referred to the special committee now studying the deal so we can compare the original draft with the much more detailed draft which is probably much closer to reality?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): Mr. Speaker, I think the Hon. Parliamentary Secretary has made it very clear and I will simply emphasize what he has said. The provinces own the resources. They possess all rights derived from that ownership. It is up to the provinces to decide whether or not to sell those resources. They remain responsible for the management, production, and conservation of those resources. I am not sure how much clearer we can be on that point. That simply re-emphasizes, in more elaborate fashion, what the Minister for International Trade said in this House.

• (1450)

The committee is seized of the issue which the Hon. Member is raising about different interpretations. Clearly that is the most appropriate place to obtain this kind of detailed information. I am sure that the committee will have the opportunity to call all the expert witnesses it wishes to call. I understand that the Chairman of the Committee has been very co-operative in that regard. That is where the Member should seek that information.

FISHERIES

GEORGES BANK—REQUEST FOR REFUSAL OF OIL AND GAS DRILLING PERMITS

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is directed to the Deputy Prime Minister. He ought to know that one of the richest fishing grounds in the world is on the Georges Bank off Nova Scotia in the Gulf of Maine. The Deputy Prime Minister ought to know as well that thousands upon thousands of Canadian fishermen earn their living from the sea.

Will the Deputy Prime Minister give an undertaking to the primary producers in Nova Scotia and to this House that no oil and gas exploratory drilling permits will be allowed and that,