

given jurisdiction by letters patent from the Crown prior to confederation. These are not cases to be brushed aside.

I have no desire to presuppose how the government of Newfoundland will act with respect to this bill, or the government of Nova Scotia, but I certainly hold to the view that it would be a great mistake to have this matter end up before the Supreme Court of Canada. I do not think that would serve the best interests of this federation of ours. I do not believe it would serve the best interests of the two provinces which are disputing this claim with the Government of Canada.

I certainly would not want to see the Newfoundland case brought before the Supreme Court of Canada because I believe there is another way, a Canadian way, whereby the Government of Canada, if it is serious about this, would sit down with the government of the province of Newfoundland and/or the government of the province of Nova Scotia and work out a settlement. I believe that is essential. Hence I have placed this amendment at the report stage before the House, because nobody will dispute the jurisdiction of the Government of Canada within the territories of Canada. Nobody will dispute these areas being defined as Canada lands. They are obvious, they are self-evident. But the question of the offshore is another question entirely, one which I believe should be the subject of negotiations.

Let me quote again from the policy paper of the government:

However, in its management of these resources, the Government of Canada is determined to take into account the needs of the region. It will use its regulatory powers to accelerate exploration in this area. Development must reflect the social and economic concerns and legitimate aspirations of the residents of coastal provinces.

What level of government is best able to reflect the social and economic concerns and legitimate aspirations of the residents of a coastal province? What level of government is best able to protect these special concerns? Obviously it is the provincial government. That is its principal responsibility. Representing a Newfoundland constituency as a Newfoundland member of Parliament, that is one of the problems I have with the position of the federal government. As a province we have been misrepresented as some kind of an ambitious young province which is on a power trip, trying to grab everything for ourselves and not wanting to share. Nothing could be further from the truth. The Premier of the province of Newfoundland, speaking on behalf of the government of Newfoundland—and I believe speaking on behalf of the legislature of Newfoundland—has made the point time and time again that the question of ownership is important to us because ownership will determine who controls the rate of development and the rate of exploitation.

The rate of development and the rate of exploitation are crucial, given socio-economic consequences. It is essential that the government of Newfoundland control the rate of development and the rate of exploitation because only the government of Newfoundland—I might say also the government of Nova Scotia; the argument applies in both cases—can truly reflect the social concerns of the people and can truly reflect cultural considerations.

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There are cultural considerations. The fishery of Newfoundland, for example, is tied up in the social and cultural fabric of the province. We cannot divorce one from the other. It is an economic question; it is a social and cultural question at the same time. Yet the rate of development, if this bill becomes law and if the federal government has its way, will be controlled by the federal government because the federal government by this bill is exerting ownership. It is not even waiting for the Supreme Court of Canada to rule, in accordance with the position the Prime Minister (Mr. Trudeau) has taken in the House and in accordance with the position the Prime Minister took at the last first ministers' conference. It is not even waiting for that. It is going ahead and has taken in all the area of the continental shelf, defining it as Canada lands and thereby taking unto itself the right to control the rate of development, with all of the socio-economic consequences that would flow from it.

● (1530)

I do not understand, Mr. Speaker, why the government would do this. I believe it is possible to resolve this dispute. Notwithstanding the hard lines taken by the governments of Newfoundland and Canada, I believe it is possible within the spirit of confederation to reach agreement on this question. Provided that the Government of Canada is prepared to recognize the right of the coastal province to control the rate of development and to reflect the social aspirations of its people, provided that it is prepared to concede that right, I believe it is possible to reach a fair and equitable agreement.

What is the position of the Government of Canada? Perhaps we will hear a little more about that during the course of this debate, but as I understand it, the Government of Canada holds to the view that it has ownership, and it approaches it from that point of view. Conversely, the Newfoundland government takes the same position.

In terms of the jurisdiction over and revenue from offshore oil, the Government of Canada's position is that it will treat Newfoundland the same as Alberta. Newfoundland would achieve, as I understand it, the same return from the offshore during a certain period as Alberta is presently enjoying, until the people of Newfoundland reach "have" status. In terms of equalization this means, as I understand it, until the per capita income of Newfoundland reaches the national average. At that time there is some kind of negotiated sharing agreement.

I do not believe that position is as rigid, in terms of closing the door, as it would appear on the surface. I believe it is possible within that framework to negotiate a settlement, bearing in mind, I repeat, the right of Newfoundland to control the rate of development. The people and government of Newfoundland want this matter resolved. It is important that it be resolved because, let us not kid ourselves, until it is resolved the rate of development of those important offshore resources is going to be deliberately retarded. In fact, in my view it is being retarded. Given the energy crisis in Canada, given the economic situation prevailing in Atlantic Canada, and specifically given the economic conditions prevailing in