

Oral Questions

understand that the hon. member might wish to divert public attention from that particular decision by the group, given his very close association with it. As to the question of a leak of the Berger Commission report, the hon. member should know that Mr. Justice Berger does not report to me.

OIL—MEASURES TO CREATE SUITABLE CONDITIONS FOR
EXPLORATION ON THE LABRADOR SHELF

Mr. John C. Crosbie (St. John's West): In view of the intransigent stand taken by the government of Canada that Newfoundland has no right to the mineral resources which lie under the continental shelf of Newfoundland and Labrador, brought into confederation by Newfoundland on March 31, 1949, may I ask this question: if the minister does not now agree to recognize the Newfoundland claim, what steps does he intend to take to create a stable climate for exploration and development on the Labrador shelf?

Mr. Speaker: Order. I am sure that if the minister were to attempt to answer that question it would take him longer than the time available for this question period.

OIL—POSSIBILITY OF AGREEMENT TO BUY OIL FROM MEXICO
WHICH PETRO-CAN MIGHT REFINED AND DISTRIBUTE

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, my question, also is directed to the Minister of Energy, Mines and Resources. It arises out of the suggestion which was made during the recent meetings of Canadian and Mexican parliamentarians held in Mexico that the president of Petro-Can, Maurice Strong, was going to Mexico to negotiate a transaction whereby Mexico would export some 20,000 barrels of light crude a day to Canada. Can the minister confirm that this will be taking place?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I am not in any position to confirm that this will take place. I must say, though, that it is an interesting possibility and I would hope it might lead to other energy trades. For example, there is a great deal of coal on the west coast of Canada and some on the east coast which we might be able to exchange in a trading relationship with the Mexicans.

Mr. Hnatyshyn: In the event of Mexican oil being imported by Petro-Can can the minister advise us whether Petro-Can would be responsible for the distribution, refining and marketing of oil imported from foreign countries.

Mr. Gillespie: As the hon. member knows, Petro-Can does not have a refining or marketing organization at the present time, nor is their creation among its priorities. So if it were to act as an agent in the purchase of Mexican crude oil it would have to deal that oil off to other companies for refining and distribution.

[Mr. Gillespie.]

OIL—POSSIBILITY OF AGREEMENT WITH NEWFOUNDLAND ON
OFFSHORE DEVELOPMENT

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question too, is directed to the Minister of Energy, Mines and Resources and it relates to the series of questions by the hon. member for St. John's West. I understand that negotiations with Newfoundland broke down because the government of Canada took a firm position that the government of Newfoundland could play only an advisory role in any joint administration. Can the minister tell the House whether the government is prepared to soften its position and enter into serious negotiations with Newfoundland which would lead to some kind of agreement?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): The hon. member is talking about the arrangement negotiated between the federal government and the maritime provinces for the creation of a maritime resources board. There was a feeling in the minds of some people, including, I believe, the hon. member's colleague, that this was no more than an advisory board to the federal government. I made it clear before the standing committee this morning that it was not an advisory board to the federal government but that it would have power and discretion to act for the minister and that it would be composed, as far as Newfoundland is concerned, on the same basis as for the maritimes; that is, equal representation as between the provinces and the federal government: only in the event that there is no agreement between the members of the board would final authority rest with the minister. Clearly, then, there is an opportunity, if the province of Newfoundland wishes to take it up, to negotiate an offshore deal, but on the same basis as that which was accepted by the maritime provinces.

Mr. McGrath: Mr. Speaker, if the minister is prepared to consider that Newfoundland might be a special case by virtue of the terms of union and the arguments that the provinces are prepared to make to the Supreme Court, would he be prepared to take this into account and to enter into some kind of special arrangement with the government of Newfoundland other than an agreement with the maritime provinces?

Mr. Gillespie: No, Mr. Speaker. We have made it quite clear that we are prepared to enter into an agreement with the province of Newfoundland on the same basis as we have with the maritime provinces. I acknowledge the right clearly of the province of Newfoundland to claim that it has some kind of special status or that there should be a special arrangement regarding offshore resources, but that is not something I am prepared to accept. That is why we have mutually decided to refer the issue to the Supreme Court.