Government Organization kind enough to write me on March 25, 1966, as follows:

When the 1965-66 estimates for my department were being debated in the house on March 3 last, you asked my colleagues, the Minister of Northern Affairs and National Resources and the Minister without Portfolio whether one of them proposed to make an opening statement with respect to the work of the department "and particularly with respect to the policies which will guide the gov-ernment as it sets up and administers the new department of energy, mines and resources."

## He went on to say:

My colleagues and I are having regular discussions on the concept of the new department of energy, mines and resources, and senior officers of my present department are also intensively engaged. The enabling legislation is being drafted and it is our hope that, within the not too distant future, we shall be able to present our proposals to parliament.

I replied as follows by letter of April 5:

Thank you very much indeed for your letter of March 25th-

## —etc. Then I said:

I appreciate your keeping me informed. I hope I may be permitted to make reference again to my feeling that in setting up the department, it would be a pity if responsibility for development and co-ordination of resources policy in an area of utmost importance to Canada and within the jurisdiction of the federal government, namely the Territories, was not entrusted to the new department. It seems to me that, if it were not, this would create a most conspicuous and lamentable gap in what I am sure will otherwise be generally supported as an admirable and progressive step forward by way of co-ordination of policies in these fields.

As I say, I should have added to that general observation or reservation the expression of concern with regard to-

Mr. Laing: Mr. Chairman, would the hon. member permit a question?

Mr. Fulton: Yes.

Mr. Laing: Might I ask from what correspondence the hon. member was quoting?

Mr. Fulton: I was quoting from a letter to me from the Minister of Mines and Technical Surveys. I thought I had identified the correspondence, and I am sorry if I did not. I also quoted my reply to him in that capacity.

Mr. Laing: Of what date?

Mr. Fulton: I think I gave the date. The letter to him was dated March 25 this year; my reply was dated April 5.

As I say, Mr. Chairman, I should have added to that expression of concern the omis-[Mr. Fulton.]

of jurisdiction over the territorial waters and the continental shelf, in so far as these waters have been assigned to and are under the jurisdiction of the parliament of Canada, Our concern in this regard was, as I have said, heightened by the references to this subject made by the Prime Minister in his speech on May 24 on second reading of the bill. I refer particularly to the passages found in the last paragraph of the first column of page 5431 reading as follows:

We all contemplate that at some time in the future we shall have in this country one or more provinces in the north. That situation will come. however, only after there has been substantial growth in population and in resource development. The encouragement of that resource development will be the responsibility of the minister of northern development. In a sense the minister will be acting in that, as in many other respects, as a trustee for provinces of the future.

With that statement by itself we have no quarrel and to it we take no objection. But it is important in this context to realize that the role described for the minister of northern development is that of a trustee for future provincial governments, and that therefore there are indications of very serious and practical limitations upon his role in this field. The Prime Minister went on to say:

The minister of energy, mines and resources, on the other hand, will be exercising responsibilities that are essentially, if I may use that word, national in their character. By that I mean he will be responsible for the kind of things that do not relate to any particular province but rather involve elements of jurisdiction that are federal in nature and aspects of policy that affect the country as a whole.

Again, to that statement in isolation there can be no objection and with it we take no exception as a statement in isolation. The aspect of it to which we do take exception is that unfortunately there is a large area of resource policy and responsibility for planning resource programs which is national in nature, and which has not been entrusted to the new minister and the new department, but rather has been divided between the minister of northern development and the minister of energy, mines and resources. This can only create confusion, and because of the importance of the exception it creates a substantial and lamentable gap in the proposal to set up a new national policy and move forward with national programs and concepts of development and resource policy, and particularly a water use policy.

I see, Mr. Chairman, that it is ten o'clock. As I intend at this stage to go into the detail sion from the jurisdiction of this department of our objections and reservations, perhaps I