

Canada Oil and Gas Act

benefit of the hon. member I refer him to Beauchesne's fifth edition, Section (1) of Citation 773.

Motions Nos. 21 and 22 should be grouped for debate, with a vote on motion No. 21 disposing of motion No. 22.

The Chair will now proceed to propose to the House motion No. 3 standing in the name of the hon. member for St. John's East (Mr. McGrath).

Mr. Knowles: Madam Speaker, I rise on a point of order. I wonder if both you and the House would be willing to defer until later the question of the procedural propriety of motions Nos. 1 and 2. Quite frankly, speaking for myself, I had not anticipated any question there. I have not done any reading on the subject lately. Your view may prevail, but could we not leave Nos. 1 and 2 till later, perhaps to the end of the debate, and start now with No. 3?

Madam Speaker: That is exactly what is to be done in practice. I am proposing to go now to motion No. 3. I know that preambles have sometimes been accepted, but I believe that is only with the unanimous consent of the House. However, the decision is deferred and we will proceed to move to motion No. 3.

Hon. James A. McGrath (St. John's East) moved:

Motion No. 3

That Bill C-48, An Act to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, be amended in Clause 2 by striking out lines 17 to 25 at page 1 and lines 1 and 2 at page 2 and substituting the following therefor:

"west Territories,".

He said: Madam Speaker, this is a very important bill. Indeed, it is probably one of the most important measures to be brought before this Parliament and, of course, evidence of that fact is the amount of time devoted to the bill in committee and the number of amendments the House is now faced with at report stage.

In terms of the amendment I have placed on the Order Paper and is now before the House, it might do well for the House to recall that at the last first ministers' meeting in September we were told that certain questions were to be the basis of round two of the first ministers' negotiations with respect to the Constitution. I realize, of course, that that statement may have been overtaken by events, namely, the unilateral action of the federal government in dealing with the Constitution in the manner in which it has and which is now a question before the Supreme Court of Canada. The fact remains that not only was this undertaking made at the time of the first ministers' meeting in September, it was repeated during the course of the hearings of the joint committee on the Constitution. Whenever we attempted to raise this question we were told there was in fact a phase two of the negotiations.

• (1520)

We know, for example, that regardless of what happens to the constitutional package which is now before the Supreme Court of Canada, the Government of Canada will have to go

back to the provinces. We know that to be a fact, and I would be very surprised if during the course of these federal-provincial first ministers' negotiations and discussions the question of offshore jurisdiction and fisheries jurisdiction did not constitute one of the priority items on the agenda. I believe that to be a fact, and I believe that is an important fact. It is important to the argument I wish to place before the House.

If we read "The National Energy Program", the white paper of 1980 which preceded the bill which is now before the House, Bill C-48, we find the definition of Canada lands, and I quote from page 42:

Under the British North America Act, large areas of Canada fall within federal jurisdiction. These Canada Lands, which comprise almost twice the area of the 10 provinces combined, include the area off Canada's coasts—

Then it goes on to say:

There is some debate as to whether offshore resources in these Canada Lands fall under federal jurisdiction. Notwithstanding a ruling by the Supreme Court of Canada in 1967 that lands off the west coast are within federal jurisdiction, both Newfoundland and Nova Scotia have laid claim to jurisdiction of areas off the east coast.

I will continue to quote because this is very germane to the argument.

The Government of Canada believes that the offshore resources belong to all Canadians. It is anxious to refer the matter of ownership quickly to the Supreme Court. Uncertainty about the legal control over such vital areas is not conducive to the rapid development of the oil and gas potential of this promising region, which can contribute to Canada's energy needs and the economic aspirations of the region.

Notwithstanding the stated position of the federal government within this policy paper, on the floor of this House and during the course of committee hearings, that it would like to have this matter of jurisdiction between Newfoundland and Canada and Nova Scotia and Canada, the offshore question, resolved by the Supreme Court of Canada, we are presented with a bill—which in essence is a fait accompli—which defines "Canada lands" as the very areas the federal government feels are under dispute and which it feels should be adjudicated by the Supreme Court of Canada.

What I am saying is that this bill can only be construed by those coastal provinces as an act of provocation, hardly conducive to successful negotiations. I believe very strongly that negotiations are absolutely essential. Having the Supreme Court of Canada resolve disputes is not the Canadian way. That is not the way this country has survived for 114 years. That may be the way of our neighbour to the south, but that is not the way I want to see Canada go, and that is not the way Canada has been growing in the past. I believe very strongly that this question has to be resolved by negotiation.

I say that notwithstanding the firm belief I hold that Newfoundland has an ironclad case. I also believe in the strength and the validity of the Nova Scotia case. The argument is totally different from that which prevailed in the situation in British Columbia. In the Newfoundland case we can argue that we had jurisdiction prior to 1949. Indeed, we can establish that we had jurisdiction prior to 1949. The government of Nova Scotia has made the case that it was