

*Government Organization*

consumer affairs, along with some of the other functions now to be undertaken by the registrar general under the legislation before us, with a view to providing advice as to the courses of action that seem best suited to meeting the needs of the Canadian people and the Canadian economy in the consumer field.

**Mr. Diefenbaker:** Mr. Speaker, would the Prime Minister say in what particular the question of consumer credit comes within the jurisdiction of the federal parliament, what portion of it is entirely within provincial responsibility and what representations, if any, are being made to the provinces to secure their co-operation in connection with this investigation?

**Mr. Pearson:** Mr. Speaker, this is one of the important matters which will have to be considered, namely, the respective jurisdictions of the provincial and federal governments in the consumer field. It is on this matter as well as others that we are seeking advice from experts, including the Economic Council. It is impossible at this stage to say what the responsibility of the department of the registrar general might be in this field until we get a report in regard to the matters I have just mentioned. Our additional responsibility as a government in this field will be determined after we have examined the matter very carefully, especially in the light of the report which we hope to secure from the Economic Council.

While the division of the responsibilities among ministers is, I believe, made reasonably clear in the terms of the bill, I think I ought to clarify one aspect of the division of responsibilities between the minister of Indian affairs and northern development on the one hand and the minister of energy, mines and resources on the other. In my statement on May 9 I said:

The resource jurisdiction which has been connected with the development of the north will remain under the minister of northern development.

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.

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. I think that this basic concept of division of functions is sound. It should permit the establishment of arrangements that will remove to the greatest extent possible confusion and difficulty as developments and changes take place in this country over the coming years.

● (3:40 p.m.)

One of the questions that had to be considered in this division of responsibility was how best to draw a geographical line for administrative purposes with regard to underwater areas off our coasts, which the federal government has been advised by its law officers come within federal jurisdiction. As hon. members know, some provinces have taken issue with the advice that resources underlying offshore waters are legally a federal responsibility. This is purely a constitutional question and it has been referred to the Supreme Court of Canada for an opinion. Until the advice of this court has been received, I naturally do not intend to go into the substance of the argument; indeed, it would be inappropriate and profitless to do so. I may say that until an opinion is given that such resources are not federal the federal government must have administrative arrangements to handle applications for rights to explore the resource possibilities under the waters off our coasts. If the Supreme Court of Canada should decide that these areas and resources are not federal, the jurisdictional problem will be altered and transfer arrangements will have to be made. This of course, can be done.

However, for the present at least the federal government must provide for the administration and proposes to do so. One solution would have been to have the minister of Indian affairs and northern development handle all mineral resource development under federal jurisdiction, whether in the north or on the continental shelf. This would, however, have involved that particular department in things that would relate in no way at all to its northern functions or to other things with which it deals such as Indians, national parks and wildlife. It might, thereby, have introduced a misunderstanding of the character of