

*Adjournment Debate*

the necessary expenditures of the Government of those territories.

Financial independence is necessary the same way that political independence is necessary. In fact, the two go together. One cannot pretend to be in control of one's own policies and one's own politics unless one also has the money and the revenues that go with it. Otherwise the territories will always find themselves tied to Ottawa's apron strings.

• (1820)

Over the last three years considerable progress has been made on the northern accord. When I asked this question on March 1, it seemed that the final Cabinet touches had been put to the accord, it could be put to bed, a big announcement would be made, and everything would be sweetness and light. Something happened in between. Since that time there has been nothing but stony silence on the issue from the Government. One of the things that I would like to find out in the Parliamentary Secretary's reply is what has happened. We know that the Minister of Indian Affairs and Northern Development has always been a very strong proponent of the accord. He acknowledges that this is part and parcel of the devolution policy of the Government of Canada.

Was there any opposition in Cabinet? Why has this not gone ahead, as we thought it would? Within the agreement there is obviously going to be room for different details respecting technicalities, but it is absolutely essential for the future of the territories that there be an accord and that there be one soon.

**Mr. Jack Shields (Parliamentary Secretary to Minister of Energy, Mines and Resources):** Mr. Speaker, during the past two years the Department of Indian and Northern Affairs has been having extensive discussions with the territorial Governments, northern aboriginal groups, and the oil industry, to determine how best to apply the frontier energy policy in the North.

The cornerstone of this policy is its commitment to "shared management" arrangements with Canada's coastal provinces and territories for the management of frontier oil and gas resources. The Atlantic and Nova Scotia Oil and Gas Accords exemplify the spirit of the frontier energy policy. The largest area still to be brought within the frontier energy policy is the North.

In June, 1987, the federal Government reaffirmed its commitment to the political evolution of the North by approving a policy framework which has as a fundamental

goal the strengthening of political and economic institutions in the Yukon and the Northwest Territories.

The framework reflects the significant political and economic changes that have occurred in the North over the past 20 years, and confirms the federal Government's commitment to the evolution of responsible and independent Governments in the North within the Canadian federation.

The following are the essential elements of this policy framework. First, to transfer remaining programs which, in the rest of Canada, are normally provincial responsibilities. Second, to pursue early settlement of land claims. Third, to develop sound and stable economies in the North by working with territorial Governments to encourage economic diversification, with special emphasis on renewable resource development and tourism. Fourth, to encourage the generation of wealth in the North and in Canada as a whole by improving the business climate for investors and entrepreneurs through joint federal-territorial implementation of the northern mineral policy and the development of a northern oil and gas accord.

The frontier energy policy and the Government's commitment to the political and economic development in the North provide the context or framework within which northerners can share in the management of oil and gas and benefit directly from the development of the North's resources. Any agreement must also be consistent with the Government's commitment to aboriginal people, as provided in the comprehensive claims policy. Ultimately, the objective of a northern accord is to provide a stable and fair regime for industry needed to encourage and support the timely development of the North's resources.

A northern oil and gas accord will reflect this policy. The terms will be developed in consultation with the territorial Governments. The Minister of Indian Affairs and Northern Development (Mr. McKnight), and colleagues in other Departments, are developing a mandate for negotiations with territorial Governments, which should begin in the near future.

This Government, in the tradition of John Diefenbaker, is committed, with the co-operation of the people of the North, to develop the North.

[Translation]

**The Acting Speaker (Mr. Paproski):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6.25 p.m.