

Canada Oil and Gas Act

25 per cent shareholder of resources is also charged with granting licences and leases, while at the same time purporting to protect the interests of the environment and northern residents. The potential for a conflict of interest cannot be overlooked. It is a problem which must be faced as the state becomes more and more involved in the resource sector.

Legislation such as Bill C-48 should contain specific provisions which reflect the government's commitment to the interests of its northern residents and the environment. Even when the federal government had no direct stake in northern resources, its record has been poor, to say the least, when it came to protecting the environment and northern residents against the negative impacts of development, and there are negative impacts. Northerners cannot be blamed if they are skeptical of the government's latest scheme, when it stands to profit directly from accelerated exploration and production of non-renewable resources in the territories.

One way the government could demonstrate its good faith would be to provide us with a comprehensive plan for development of both renewable and non-renewable resources. Such a plan is absolutely essential if we are to avoid a continuation of ad hoc exploitation of northern resources, and create an atmosphere of security and confidence in the future. Rapid development of non-renewable resources in the north poses a serious threat to the traditional land and sea-based economy which is in existence today. I cannot think of anywhere else in Canada where people are asked to sacrifice their present economic base for short-term benefit of the residents in other parts of the country. Northerners are being asked to do that, trusting in blind faith that somehow the future will be assured.

A comprehensive plan for northern development should not be an afterthought; it should be the foundation on which to build legislation. Environmental protection should have a high priority in northern development plans. The need for more environmental studies has been repeated time and again. On last Friday the hon. member for Hillsborough (Mr. McMillan) proved that point very succinctly and clearly. The recent EARP report on the Arctic pilot project is one example among many I could mention. The Environment Assessment Review Panel report stated in its over-all conclusion that:

Without further research on marine mammals guided by the advice of Inuit and of government scientists . . . the panel is unable to recommend that the project is environmentally acceptable.

However, it is still unclear when such studies will be completed, and by whom.

Although the need for studies is recognized by government, the provision for an environmental studies revolving fund in clause 49—a misguided clause, I might add—does not go far enough in solving the problem of producing environmental research, and its proposed operation is unsatisfactorily vague. The environmental studies revolving fund is to be administered by the Department of Energy, Mines and Resources and the Department of Indian Affairs and Northern Development, the two departments with direct interest in development. Clause 49(6) gives the two ministers of those departments total

discretion as to what kinds of studies are to be done, and by whom.

● (1640)

As far as government research is concerned, the Department of the Environment, whose mandate is environmental protection, and the Department of Oceans and Fisheries, seem like more logical choices to perform the role of environmental watchdog but I do not believe they are very interested in this case. Furthermore, there is no indication in this section that native groups and independent public-interest research groups will have any opportunity to have a voice in environmental decisions, or a hand in those funds.

In any case it seems rather pointless to keep gathering environmental data on individual projects outside the context of a rational and comprehensive long-term plan for northern development. There is another oversight in this section which is rather disturbing to me. The north holds more than energy resources. There are people living in the north. Studies of the socioeconomic impact of development are just as important as environmental impact studies, since the two are inextricably linked.

In view of the magnitude and critical importance of environmental and socioeconomic studies, the \$15 million ceiling set in proposed section 49(10) seems rather arbitrary, since the document does not state whether the total is \$15 million, or \$15 million for each separate fund, so one is tempted to think numbers were picked out of the air. This entire clause requires closer scrutiny in committee. I believe this point has been mentioned by other speakers from both sides of the House.

Another objection to this bill is to be found in the government's failure to acknowledge the issue of native claims as they relate to non-renewable resource development. The document does not say whether the federal government would be prepared to remove from disposition those areas where native people have unextinguished aboriginal title. Neither does it say whether the government is willing to negotiate certain minimum economic rights, such as equity and employment, through a land claims negotiation about which the Department of Indian Affairs and Northern Development is now negotiating with the northern people.

The document does not say whether native people, having unextinguished claim to the land, will be eligible to collect a share of royalties earned from development, although, this was done last Friday through equities and an equity formula for a mine in the Kcawatina region.

Similarly, this document fails to acknowledge the provincial aspirations of the territories. In the interim period prior to obtaining provincial status, will the territories have an opportunity to share in revenue accruing from non-renewable resource development? How can the territories be expected to evolve to a position of relative economic self-sufficiency without any substantial revenue base?

The 25 per cent interest in resources which this bill proposes provides a pretty strong incentive for the federal government not to relinquish control over any land in the north. The