

*Oil and Gas Act*

vessels. I suggest this is an obvious acceptance on the part of the government of the fact that the exploration, development, production and transportation of oil is going to involve to a considerable extent the use of waters in the Arctic.

Now is the time, if there ever was a time, for the government to say that by "waters" it means those waters which are Canadian waters; that this is an expression which, according to the interpretation of "sovereignty" and past assertions, has been given a meaning that is unchallengeable and is undenied. But the government has left the position completely open. What does the government mean by "offshore installations or vessels", a phrase now to be found in the interpretation of the word "pipeline"? It leaves the impression that there must be very grave limitations upon Canadian sovereignty over the waters of the Arctic; certainly that view is consistent with such a change.

In addition to that, as my hon. friend from Parry Sound-Muskoka said, clause 3, which provides that the act applies in respect of oil and gas in the Yukon territory and Northwest Territories, now begs the question even more. The people of Canada have believed that the Yukon territory and Northwest Territories have traditionally in the past extended, and still extend, to the waters of the Arctic archipelago, the waters between the Arctic islands and the mainland.

Clause 3 now proposes a positive weakening of that assumption in the introduction of certain finite conclusions. For example, there is reference to submarine areas, to lands that belong to Her Majesty in right of Canada. I suggest this is an obvious admission that part of what we have always in the past regarded as waters of the Canadian Arctic may not necessarily be the case, since the government is placing a limitation on what in the past has been a wide and unrestricted interpretation of what is the Canadian Arctic.

If the government had any doubt in its mind, this was the time to express it. We are now faced with the situation that not long ago members of the United States Congress referred to the possibility of the government of that country placing in service a fleet of icebreakers to push through the Arctic commercial vessels of U.S. companies such as the Humble Oil Company. Fortunately, a serving naval officer who was giving testimony at the time qualified the effect of this by saying that the waters in question were Canadian Arctic

[Mr. Baldwin.]

waters. He subsequently amended that statement by saying they were waters which were close to and related to the Canadian Arctic.

There is, nevertheless, an obvious and determined effort being made by commercial interests in the United States to seek and obtain what they suggest is the right to unimpeded passage through the waters of the Canadian Arctic. Those were the exact words used at a hearing in Washington some time ago. Those words, or words to that effect were also used, I understand, by Mr. George Ball when giving evidence before a committee of this House.

At a time when the government should be asserting in the strongest possible way the right of the Canadian people to sovereignty over these waters, we find the government bringing in an amendment which, in effect, challenges even the interpretation that had been placed on these waters by the previous act. I simply do not understand it, Mr. Speaker. Our party is not approaching this question in any narrow, chauvinistic way. We seek this right solely for the purpose of being able to establish control and the right to regulate the passage through these waters of vessels of any nation. This right has been asserted in the past.

In 1925 the then minister of the interior and the Parliament of that day passed regulations which provides that any vessel, scientist or explorer passing through the Arctic had to apply for and obtain a licence to do so. That right, I understand, was not denied but was in fact accepted by the U.S. government. Later, during the course of the DEW line operations, Canada laid down a regulation which provided that vessels passing through this area from the United States were compelled to obtain a waiver under the Canada Shipping Act. This was questioned to some extent, but was accepted in due course.

Then we have the statement of a former Prime Minister when he was Canada's ambassador to the United States in, I believe, 1946 or 1947. A number of declarations have made abundantly clear what our rights are. As I say, we are not asserting these rights simply because we want to colour the map red or blue for Canada; we are asserting them as a matter of national safety and security. These rights are assured any nation under the 1958 and 1959 conventions. Even if it were held that the waters in question were territorial, we have the unchallengeable right to pass regulations that are in the interests of our national safety and security.