

organization was in some way acting as a mouthpiece for the government of Canada.

Look at it another way. Official government representations will carry more weight if they are accompanied by clear indications that they are genuinely supported by independent, national public opinion—and this is the position of the government. We do not wish to dilute either the official representations of the government of Canada or the unofficial representations of those who take this matter so seriously.

NATURAL RESOURCES—OFFSHORE MINERAL RIGHTS—
STATE OF NEGOTIATIONS WITH NOVA SCOTIA

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, last week, as I have on other occasions, I asked the Prime Minister (Mr. Trudeau) about the status of negotiations regarding the provincial and the federal government's offshore mineral rights. This was of particular interest to me because it was one of the first topics I pursued when I came to this place last year. The Prime Minister's answer was that he did not understand the question. This is probably because there was some bedlam in the House at the time. He did state that he understood it had to do with offshore mineral rights and that the matter was being dealt with by the Minister of Energy, Mines and Resources (Mr. Macdonald).

I thought the House might be interested in this topic because it is now almost one year since the hon. member for Gander-Twillingate (Mr. Lundrigan) and I raised the issue with the Prime Minister on his return from the Victoria conference. His answer at that time was that the government was still waiting for answers from the provinces to the plan it put to them more than a year before. This was in respect of possible negotiations regarding offshore mineral rights. It is obvious that at least two years have elapsed without anything constructive being done. This is a graphic illustration of this government's failure to come to grips with an extremely vital issue. I sincerely hope the bickering and ill will which characterized these negotiations on the west coast of our country will not be carried on as far as current negotiations are concerned with Nova Scotia and other Atlantic provinces.

In the "Journal of Canadian Studies", Mr. Neil Caplan deals fully with this subject. In an article entitled "Offshore Mineral Rights: Anatomy of a Federal-Provincial Conflict" we find an excerpt headed "Negotiation and Deadlock". The author points out that Arthur Laing, who is from British Columbia as this House knows, the then minister of northern affairs and natural resources, conducted negotiations with Mr. Kiernan, provincial minister of mines and petroleum resources as far back as July 26, 1963. In October 1964 there was a federal-provincial conference which tried to reach a solution. But this also failed, so the matter went to the Supreme Court of Canada despite the sincere wishes of both the federal and provincial governments that some other course of action might have been taken.

On November 7, 1967, the Supreme Court of Canada in a judgment found in favour of the federal government, and legally at this time the mineral rights off British Columbia belonged by definition to the government of Canada. I say that politically nothing has changed. The province of British Columbia is still bitter and unsatisfied and has changed its position by saying that perhaps legal-

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ly the offshore mineral rights belong to the federal government, but equitably the federal government is obliged to dispose of them to the provinces under a fair type of arrangement.

On December 2, 1968, the present Prime Minister outlined a proposal in which he developed a concept of mineral resource administration lines which would be drawn to distinguish between submerged lands, to be administered federally seaward of those lines and provincially landward of those lines. The provinces would retain the revenue derived from their zones and the federal government would place in a national pool all revenue from its zones, half of which would be available to the provinces and divided among them on the basis of any financial arrangement which the provinces could agree upon.

• (2220)

I suggest, with respect, that this is an abdication of federal responsibility. In effect, the government is saying it will take half and the others can fight over what is left. Since this proposal was made, negotiations seem to have stalled. In my opinion this is a very serious situation. It should be pointed out that Nova Scotia entered confederation as an original partner. It came into the union with a long history of jurisdiction over territorial waters. Canada and France also have a dispute over offshore jurisdiction. Both countries have issued exploratory permits for the same area. This situation exists in Nova Scotia where oil companies are receiving from the federal and provincial governments rights to explore.

Perhaps the whole issue may be solved if and when a more precise and comprehensive Law of the Sea is agreed upon by an international tribunal or committee. In the meantime, despite the bungling or bumbling of governments the oil companies continue to obtain cheap exploratory rights on a duplicate basis. But this situation will not continue for very long because royalties are another kettle of fish and the oil companies will not pay revenues of this type on a duplicate basis. They are simply too expensive. I suggest that once an oil find is confirmed, as we hope it will be, in commercial quantities the pressure will be on in more ways than one.

I believe it would be extremely fortuitous and, to be colloquial, nice for once if the government of Canada would act instead of react and at least keep this House and the people of Canada informed of its posture, whether there will be meaningful co-operation and an equitable settlement in respect of this particular issue, and whether it will deal on an equal basis for once with a part of Canada which lately has received very little from confederation.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, as I understand it, the hon. member's original question asked what had resulted from discussions among the provinces and the federal government in respect of offshore rights. The simple answer is that the premier of the province of Quebec and the premiers of the Atlantic provinces will hold a meeting in June to discuss their position with respect to the latest federal offer in connection with off-shore rights. In our view, the initiative at this stage is clearly to be taken by the provinces.

Motion agreed to and the House adjourned at 10.25 p.m.