

*Canada Oil and Gas Act*

The origins of Nova Scotia's claim to the offshore go back to the sixteen hundreds. The first colonists were utterly dependent on the bounty of the ocean for food and transportation, and for that reason King James I in 1621 granted the Royal Charter of Nova Scotia to Sir William Alexander which included as part of the territory of Nova Scotia a band of sea stretching about 120 miles southward from the coast. This band easily encompasses Sable Island and much of the Georges Bank and the Scotian Shelf. I would point out that it is the Scotian Shelf which is of great interest in terms of oil and gas exploration. These boundaries were observed for many years, despite numerous conquests and treaty settlements.

● (1740)

Without reviewing all the details of the Treaty of Utrecht of 1713, and without going into all of the historic data related to published maps and charts, I would like to say that the boundaries were redescribed in a major settlement between England and France—the Treaty of Paris of 1763. That description remained fairly constant through the various royal commissions of the nineteenth century, until confederation. The southern boundary was the Atlantic Ocean from Cape Breton to Sable Island, including all other islands within 40 leagues of the coast, with all the rights, members and appurtenances whatever thereto belonging.

Before confederation Nova Scotia exercised its offshore responsibilities and passed many laws regulating piracy, navigation, shipwrecks, and criminal activity at sea. The British North America Act of 1867 provided that Nova Scotia's limits would be exactly the same after confederation as before. These historical references might well cause the Supreme Court of Canada to decide the question of offshore mineral ownership in favour of Nova Scotia because, Mr. Speaker, in the reference to the Supreme Court of Canada made in relation to the British Columbia offshore lands and minerals, the court found no evidence of any kind that the boundaries of British Columbia ever extended west of the Pacific Ocean, or that British Columbia ever exercised legislative jurisdiction offshore. But Nova Scotia, as I have indicated, has quite a different claim based on historical facts.

I would like to say very quickly that legal confrontation is not the route for settling offshore jurisdictional questions. Provincial-federal agreement is an alternative which most favour. Instead of relying wholly on events predating 1867, a negotiated settlement recognizing the needs and means of Canada and the province of Nova Scotia in the 1980s seems a more sensible way to resolve any matters in dispute.

Mr. Speaker, how can this dispute be resolved? Please bear in mind the tremendous effect this dispute can have on re-assessing and retrograding the kind of offshore exploration that ought to be taking place right now off the coast of Nova Scotia and off the coast of Newfoundland. In that respect I refer to a November 20 article in *The Globe and Mail* in which a spokesman for the Mobil Oil Company, which is one of the principal companies involved in the exploration of the Hibernia oilfield, was reported as saying that the federal-provin-

cial dispute could hinder production and exploration on that site. It is said in the article that a production plan for the promising Hibernia oil site in the Atlantic Ocean, off Newfoundland, is now being drawn up but a bitter dispute could cloud the actual start of production. Of course they are referring there to the dispute between the Government of Canada and the government of the province of Newfoundland with respect to the ownership of the submarine lands, which are the site of the Hibernia drilling operations. Mobil Oil has threatened to slow down or stop its operation if the dispute is not settled.

A more recent piece in the same newspaper of December 17, 1980, says that Ottawa, meaning the Government of Canada, has vowed to support the firms which are involved in the Hibernia exploration in any dispute with the government of the province of Newfoundland. I see the hon. members from Newfoundland wince when they hear about this, because what the Government of Canada is saying is that we will use the strength and authority of the Government of Canada to beat down a claim of the government of Newfoundland regardless of the legitimacy of that claim. I say that is not the way in the 1980s to resolve disputes of this kind between governments. It is not the way to resolve disputes, simply to use the power and might of the federal authority against a province like Nova Scotia or Newfoundland without regard to the needs and means of those provinces, and without regard to the historical facts which make up their claim.

How can we then resolve the dispute between the provinces which are interested in offshore development like Newfoundland and Nova Scotia, and the Government of Canada? There is a simple way to do it, Mr. Speaker, and that is to pass legislation in this House extending the boundaries of the province of Nova Scotia and the province of Newfoundland and any other provinces which claim offshore and submarine lands, extend the boundaries of those provinces to include those lands. This is a completely opposite course to that which the government has taken in the introduction of Bill C-48, which extends not the boundaries of the provinces but the boundaries of Canada. In defining Canada lands clause 2 says that included are:

(b) those submarine areas adjacent to the coast of Canada and extending throughout the natural prolongation of the land territory of Canada to the outer edge of the continental margin or to a distance of two hundred nautical miles from the base lines from which the breadth of the territorial sea of Canada is measured, whichever is the greater;

Mr. Speaker, I have introduced in this House a private member's bill which does exactly the same thing for the province of Nova Scotia. But it does it legitimately by extending the boundaries of the province of Nova Scotia, and not in this illegitimate course of action which the government has chosen to follow, by simply extending the boundaries of Canada without the consent and concurrence of the province of Nova Scotia, or any other province.

There is another, second method, to settling the dispute between the provincial governments and the Government of Canada with respect to offshore ownership, and that is a reference to the Supreme Court of Canada. I was quite