

### Oral Questions

value of a portion of new equity refinancing. It is my view that one of the terms and conditions to be attached to such a guarantee should be a way of enabling the governments to participate in the success of the company. I think this is something that should be very much pursued.

With respect to the possible value of shares of existing shareholders, this will depend on the degree of success of the company. If the refinancing is successful and the results are a strengthened and more successful Massey, certainly there will not be, as my hon. friend seems to want to see come about, an ultimate lowering of the value of shares held by existing shareholders. My hon. friend would seem to prefer the absolute failure of the company so that the shares held by the workers would be worth nothing and there would be no jobs for them. No wonder the UAW takes quite a different position from the NDP.

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## THE CONSTITUTION

### PROPOSALS RESPECTING OWNERSHIP OF RESOURCES

**Hon. Ray Hnatyshyn (Saskatoon West):** Madam Speaker, my question is for the Minister of Justice and it relates to the cozy deal worked out by the Prime Minister and the leader of the New Democratic Party to achieve an organic understanding between their two parties. With respect to part of the statement made in the Prime Minister's letter to the hon. member for Oshawa—who is understandably leaving the chamber in embarrassment—could the minister comment on the point made by the Prime Minister that the resource issue is conditional upon and "acceptable to us only on the condition that agreement be reached to entrench in the constitution certain basic principles of the economic union".

In view of the fact that Premier Blakeney for one has rejected the proposals arrived at between his national leader and the Prime Minister, can the minister tell the House whether that is a negotiable item with respect to the committee hearing which the Minister of Justice referred to today, and whether he is prepared to compromise with respect to that aspect of the Prime Minister's letter in committee?

**Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development):** Madam Speaker, I think when we are in committee we will debate that. In the letter of the Prime Minister yesterday to the Leader of the New Democratic Party he said we are willing to accept an amendment on resources, on indirect taxation and on interprovincial trade and federal paramountcy. This would be the amendment we would accept.

In terms of economic union, as the people know, the mobility of people has been incorporated in the charter of rights and, of course, we have the movement of goods in section 121. In future rounds of negotiations we will want to strengthen the economic union of Canada even more. For the time being, we have the resolution before the House and the only amendment will be this one.

To reply to the question of the hon. member's leader, of course the resources were already confirmed in the constitution and it is a clarification for renewable resources.

**Mr. Hnatyshyn:** Madam Speaker, I think it is fair to say that the proposal by the Prime Minister is a sellout and a fraud with respect to ownership of resources of this country, and it will be seen to be so when the people have had a chance to examine it.

I want to ask the minister, in relation to his policy with respect to constitutional amendment, whether yesterday in Edmonton the Minister of the Environment, who has special responsibilities for constitutional matters and who stated that federal-provincial conferences are pernicious and a harmful way to make government policy, and further indicated his support for a constitutional provision abolishing federal-provincial conferences, was speaking on behalf of the government.

[Translation]

**Mr. Chrétien:** Madam Speaker, I did not read the statement by the hon. minister. I can say that, obviously, the experience we went through this summer when we made an enormous effort to come to an agreement, was very disappointing for us. However, in his speech the Right Hon. Prime Minister already stated that once the constitution is repatriated, we intend to resume our discussions with the provinces on federal institutions and on the sharing of jurisdiction. This is the commitment we made and we intend to fulfil. The mechanism we shall use will be, of course, federal-provincial conferences. If there is a deadlock, the amending formula provided for in the project will be in place.

[English]

### PROPOSALS RESPECTING OFFSHORE RESOURCES

**Hon. James A. McGrath (St. John's East):** Madam Speaker, my question is directed to the Minister of Justice. Can the minister tell the House whether in the course of discussions between the government and the NDP, the question of the rights of provinces to offshore jurisdiction over oil and gas came up? Can the minister also tell the House why this was not included in the package which was announced yesterday in the exchange of letters between the Prime Minister and the leader of the NDP?

**Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development):** Madam Speaker, during the summer we made a very generous offer to the maritime provinces in relation to the offshore but it was rejected by the maritime provinces—by the Atlantic provinces. We were offering 100 per cent of the revenues. I think the offer made was a very good one. We are not willing to give away the jurisdiction—

**Mr. Clark:** You did try.

*Oral Questions*

**Mr. Chrétien:**—of the federal government in the matter of offshore resources. We want to make sure that the benefit of those resources accrues to the people of the provinces who could benefit from them.

**Mr. McGrath:** A supplementary question, Madam Speaker. In selling their soul for a little potash, the NDP sold what few friends they had left in the Atlantic provinces and that is a sad day. I should like to ask the minister why the question of renewable resources was not included in the—

**An hon. Member:** You did a great job.

**Some hon. Members:** Oh, oh!

**Mr. McGrath:** Madam Speaker, the truth obviously hurts.

**Some hon. Members:** Hear, hear!

**Mr. McGrath:** I should like to ask the minister why the question of renewable resources was not included in the government's package, knowing full well the importance, for example, of the development and transmission of hydroelectricity to the Atlantic provinces.

**Mr. Chrétien:** Madam Speaker, I should like to reply to the first part of the question of the hon. member and tell him that our position on offshore resources was well explained to the people of Newfoundland and they gave up one more seat in the last general election.

**Some hon. Members:** Hear, hear!

**Mr. Chrétien:** In our negotiations during the summer with Premier Peckford we said that we have some powers in inter-provincial trade that could be used if need be. I am amazed to see Premier Peckford always giving us all sorts of problems, but when he needs the federal government he always calls on us to help him get his electricity across Quebec.

**Mr. McGrath:** That is a constitutional right and you know it.

**Mr. Chrétien:** In order to get that, we need a strong federal government. If he wants us to help, I think he should stop making the kind of statement that he made yesterday.

**Mr. Clark:** Roger Simmons just walked out.

**Mr. McGrath:** That is a constitutional right and you know it.

**Some hon. Members:** Oh, oh!

**An hon. Member:** Sit down.

**Mr. Chrétien:** Madam Speaker—

**Madam Speaker:** Order. Order, please. I have to remind both hon. members that when the Speaker rises in her chair they must resume their seats. We were listening to the hon. Minister of Justice.

**An hon. Member:** He is finished.

**Some hon. Members:** Hear, hear!

**Mr. Chrétien:** Madam Speaker, in the resolution it is clearly stated that there would be no possibility of changing the borders of any province without the approval of the province. It was demagogy on the part of the premier to try to create the impression to the contrary.

**Mr. Crombie:** This is a deadlock.

**Mr. Chrétien:** The same thing applies to the right to have religious education in the provinces.

**Mr. McGrath:** Madam Speaker, is the Minister of Justice of Canada now telling this House that Newfoundland does not have, under section 95 of the BNA Act, the right to transmit its power through the province of Quebec to Ontario and elsewhere? Is that the position he is taking as Minister of Justice? We are not looking for help; we are just looking for this government to get—

• (1440)

**Madam Speaker:** Order, please.

**Mr. Chrétien:** Madam Speaker, whenever there is a market for electricity, we will be willing to help the province of Newfoundland—

**Some hon. Members:** Oh, oh!

**Mr. Chrétien:**—with the federal powers that we have. If we were to listen to the opposition and weaken the federal government with a type of community of communities, it would be impossible for us to help Newfoundland under those circumstances.

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## COMMUNICATIONS

## PAY TV—SUGGESTED CHANGE IN POLICY BY CRTC

**Mr. Mark Rose (Mission-Port Moody):** Madam Speaker, following this sort of general hubbub and acrimony, I have a very gentle question for the Minister of Communications.

**An hon. Member:** A very gentle minister.

**Mr. Rose:** In view of the simultaneous CRTC and ministerial announcements yesterday that pay TV in Canada is to proceed forthwith, despite the fact that the CRTC's own Therrien report issued in July stated on page 59 that "there is no evidence of widespread demands" and further that "the only people who demand the instant introduction of pay TV are those who expect to make profits out of it", can the minister assure the House that the CRTC, which is an autonomous regulatory body, arrived at this policy U-turn independently and without outside pressure from the minister or his department? Since the minister supports an early introduction of pay TV with no indication of how the objectives of enhanced opportunities for creative people in Canada are to be