

SECRET

August 13, 1980

OFFSHORE RESOURCES

SUMMARY OF SUGGESTED PROPOSAL

1. Federal-Newfoundland Joint Body

- 3 provincial representatives
- 3 federal representatives
- a neutral chairman

2. Joint Body Mentioned in Constitution

(N.B.: this might be kept as a fall-back position)

3. Day-to-day administration: Newfoundland

- the federal government retains environmental matters

4. Revenue Sharing

- 100% of resource revenues until province becomes a have province
- adoption of principle to support a level of taxation comparable to onshore resource taxation

5. Final Control

- normally, deadlocks broken by neutral chairman
- federal control in specified circumstances, involving the "national interest"

6. Federal Legislation to apply

R-112M

406.1

DEBATS CONSTITUTIONNELS (1/2)