

about that and that question has been addressed by the Minister of Energy, Mines and Resources and others many times.

There is speculation, and I am not sure that it is anything more than speculation, that Mexico is now offering to supply, I think, up to 50,000 barrels a day more than it is now delivering under the contract that was signed some time ago. There are still several weeks until the termination of the existing contract, and it may be that we can look into these matters. I am sure the negotiators will be looking at the quality and, indeed, the price related to that quality. Also, there is the matter of the refiners' capacity to deal with these various qualities. In this regard I can understand Senator Charbonneau's concern. We have to take into consideration that the specific gravity or quality—whatever you wish to call it—of crude oil generally available in the world is such that we are moving gradually to the point where we will need the capability in Canada to deal with higher and higher amounts of so-called heavier oil.

### THE ECONOMY

#### FOOD PRICES—CONFLICTING ANNOUNCEMENTS

**Hon. Nathan Nurgitz:** Honourable senators, I have a question for the Minister of State for Economic Development. Could he explain to this chamber the discrepancy between the announcement made by Statistics Canada that food prices have declined by precisely 0.7 per cent in the month of May and the announcement made concurrently by Agriculture Canada that food prices, in fact, have increased?

**Hon. H. A. Olson (Minister of State for Economic Development):** Honourable senators, I will get a precise answer to that question. I am sure that my honourable friend has read some of the press reports which indicated that reporters were also curious about this difference. It is a matter of time frames and when you do the calculation. But I will try to get a precise answer from Statistics Canada and the people in the Department of Agriculture who did the compilation so that we can furnish the usual reasonable and logical explanation.

**Senator Nurgitz:** I am satisfied that I would not get anything else!

Honourable senators, at the same time, could I get a "usual logical and reasonable" explanation of the allegation being made by the Ontario Cattlemen's action group, that while farm prices have dropped, consumer prices have risen, and that supermarkets have tripled their markup on beef, for example, in the last five years. Is the government going to make any form of investigation on that?

**Senator Olson:** Honourable senators, I do not think there is going to be anything in the nature of a formal investigation, but I am extremely curious about this as well. For my own personal information and perhaps as a member of the cabinet, but not in a formal way, I would like to know where that wide discrepancy is, because I saw one proponent for each side of this argument speak from exactly opposite positions earlier this morning. I am sure my honourable colleague did too.

[Senator Olson.]

**Senator Murray:** In the cabinet?

**Senator Olson:** On *Canada AM*.

### ENERGY

#### QUEBEC AND MARITIMES PIPELINE—LABOUR DISPUTES

**Hon. G. I. Smith:** Honourable senators, may I direct a question to the Minister of State for Economic Development who, I guess, is in charge of pipelines? Is it true that Trans Quebec and Maritimes Pipeline has said that within a week it will have to cancel construction of this pipeline for the remainder of the year unless the current labour difficulties are resolved within that time?

**Hon. H. A. Olson (Minister of State for Economic Development):** Honourable senators, I cannot verify whether that is true or not, but I have heard of some disputes there. That does, in fact, mean there is some difficulty which could hinder construction which might otherwise take place this year. Regardless of whether what we have heard is fact or opinion, I shall try to provide an explanation of the situation and discover the conditions that might lead the company to say that they could jeopardize construction for the rest of the year.

• (1425)

**Senator Smith:** Honourable senators, I should like to address a supplementary question to the same minister. If it turns out that he discovers there is truth to the allegation, will he then be prepared to repeat the guarantee of the Canadian government that the pipeline will be built on schedule and that it will arrive in Halifax by the fall of 1983?

**Senator Olson:** Honourable senators, there are two or three hypotheses in that question, and ministers who have been around for a while know they should not try to answer hypothetical questions.

**Senator Smith:** There is nothing hypothetical about my question. I am simply asking the minister, if he finds there is any truth in the allegation—and there will be nothing hypothetical about that—whether he is prepared to repeat the promise which the government has made in the past that the pipeline will be completed in time to be in Halifax in 1983.

**Senator Olson:** Honourable senators, I am told by my legal adviser that any question that begins with "if" becomes a hypothetical question right away.

**Hon. Jacques Flynn (Leader of the Opposition):** If you are going to be your own advocate, I should remind you of the saying that any lawyer who defends himself has a fool for a client.

**Senator Olson:** Honourable senators, it could be that there might be some slowdowns for particular reasons, such as labour or weather problems; but there could be other periods when the speed of construction could be accelerated, because of some favourable conditions. All of that would have to be taken into account, and I am sure my honourable friend would not expect me to try to balance one against the other so that we could go back to the completion date of 1983. I cannot tell