

now. There is, of course, more than one consideration involved in this. One would be to use the facilities as they were designed; another would be to modify the refinery to the point where it would be capable of refining oil of a somewhat lower quality, if that is the right description, or a different specific gravity of crude—

Senator Flynn: Mexican oil?

Senator Olson: A somewhat heavier oil than that. The fact of the matter is that the total world supply of oil is getting to the point where some of the refinery capability has to be modified to take care of a different gravity of crude. In any event, I shall take the question as notice and provide a detailed answer.

Senator Smith: I thank the honourable senator for his undertaking. I can appreciate the problems in differences in quality of oil, or at least I think I can. I would be grateful if the minister, in his inquiries flowing from his taking the question as notice, would give particular attention to determining whether or not there is now in being a firm plan for the commercial operation of this refinery on a successful basis, or a basis which might reasonably be hoped to be successful.

Senator Olson: I shall provide as much detail as I can in my reply.

SCIENCE AND TECHNOLOGY

THE BUDGET—RESEARCH AND DEVELOPMENT—GOVERNMENT FUNDING

Hon. Orville H. Phillips: Honourable senators, I have a question for the Minister of State for Economic Development. Despite several questions, the government ministers have not indicated precisely how much of the increased funding for the economic development envelope provided in the budget will be allocated to research and development expenditures. Is the minister able to provide the Senate with a precise figure in this regard?

Hon. H. A. Olson (Minister of State for Economic Development): No, I cannot give that figure off the top of my head. I want to check as to whether the minister directly responsible for science and technology has made some announcement recently in this respect, and for that reason I shall take the question as notice and provide the Senate with whatever information is available.

Senator Phillips: I thank the minister for his offer to obtain the information. Recently, the President of the National Research Council outlined three scenarios, each predicated upon the assumption of a given amount in funding being available.

I would also ask the minister to determine which of the three options presented by the President of the National Research Council is favoured; that is, the minimum, what was termed the second option, or perhaps we might even hope for the so-called deluxe version, as outlined by the President of the National Research Council.

Senator Olson: Honourable senators, the Honourable Senator Phillips is asking a question for which the answer may or may not be available within the next few days. Funding for the ensuing years, which includes some of the proposals in that, involve a number of fiscal years—not only 1980-81, but 1981-82, and I think three or four years beyond that. While I am prepared to give an undertaking that I shall get as much information as I can, I obviously cannot commit the government beyond what the minister is ready to indicate.

ENERGY

IMPORTATION OF OIL FROM SAUDI ARABIA

Hon. Lowell Murray: Honourable senators, I have a question for the Minister of State for Economic Development, and my question arises out of the announcement by the Right Honourable the Prime Minister concerning the availability from Saudi Arabia of 100,000 barrels of oil a day.

Can the minister say whether the 100,000 barrels a day in question would be over and above our current import levels from that country; secondly, can the minister assure the Senate and the country that the Canadian government will not accept any political conditions being attached to such a sale?

I have in mind the conditions that were attached by Saudi Arabia to a contract with Denmark last spring for 20,000 barrels of oil a day. Those conditions were widely interpreted as meaning that the Saudi Arabian authorities would have a virtual veto over the showing of a film such as *Death of a Princess* on Danish television.

Will the minister assure the house that no political conditions would be accepted by the Government of Canada to such a transaction?

Hon. H. A. Olson (Minister of State for Economic Development): Honourable senators, dealing first with whether or not the 100,000 barrels a day would be in addition to what we are now importing, I should like to draw attention to the fact that what has been offered is that up to 100,000 barrels a day could be made available from Saudi Arabia. We shall assess that in terms of whether or not it is needed; whether or not it is a more secure supply, and all of the other factors that would go into making that kind of an arrangement.

I do not think my honourable friend ought to infer that negotiations were moved beyond the point that an offer has been made which we may wish to consider. Whether it is in addition to what we are importing now or a substitution or alternative to some that we are importing now has not been determined. Indeed, it has not been determined whether we require any of it.

As to the political conditions, I can express the hope on my part that there would be none. But I will convey that representation, if you like, to the negotiators.