

*(The answer follows:)*

The press reports are a misinterpretation of the material released under the Access to Information Act.

In February 1980 the Department recommended that the Government should upgrade the level of its full-time Representative to the FAO from the rank of Counsellor to Minister-Counsellor and also assign to the Canadian Ambassador to Italy the additional responsibilities of Canadian Permanent Representative to the FAO.

In fact, in 1982 when action was taken, a Permanent Representative was appointed with the diplomatic rank of Minister and a second officer was also assigned FAO responsibilities.

In 1984, the Department was again internally reviewing the question of representation to the FAO when this was overtaken by the July announcement by the former Government of the appointment of a separate Ambassador to the FAO.

In other words, no departmental recommendation had gone forward on this question before the appointment was made.

## ENERGY

### PRICE OF CANADIAN CRUDE OIL

**Hon. Duff Roblin (Leader of the Government):** The next delayed answer is to a question raised in the Senate on February 6, 1985, by the Honourable Gildas L. Molgat, regarding the price of Canadian crude oil.

*(The answer follows:)*

The Minister of Energy, Mines and Resources recommended that, from February 1, 1985, any necessary reductions to accommodate increased exports and reduce potential shut-in be made in the tariff of charges for licensed exports. Revenue from this charge is shared 50-50 between Ottawa and the producing provinces.

In implementing this policy, the National Energy Board is to ensure that export prices of each crude oil type, netted back to the field, do not fall below the corresponding price at which a similar type of crude oil is made available to Canadian refineries. Similarly, oil product export prices should not be permitted to fall below comparable Canadian levels, excluding domestic taxes (Petroleum Compensation Charge \$6.54/bbl, Canadian Ownership Special Charge \$1.15/bbl) which are not applicable to oil exports.

In other words, the wellhead cost for crude is no different for Canadian than it is for American refiners. The current disparity is a result of our regulated oil price system. Canadian refiners pay about \$30/bbl for western Canadian light crude at the field. When pipeline transportation costs, the PCC and the COSC, are included, the Canadian refinery acquisition cost averages over \$39/bbl. Light Canadian crude, delivered to Chicago, is priced at Can. \$33 to \$34/bbl due to the reduction in the export charge, as described in the opening paragraph. This

reduction affects the revenues of the federal government and the producing provinces only.

## ECONOMIC COUNCIL OF CANADA

### RUMOURED DISSOLUTION

**Hon. Duff Roblin (Leader of the Government):** The next delayed answer is a question raised in the Senate on February 6, 1985, by the Honourable Lorna Marsden regarding the rumoured dissolution of the Economic Council of Canada.

*(The answer follows:)*

In reply to the honourable senator's question regarding the Economic Council of Canada, I want to inform her that, at the present time, the government has no plans to dissolve the council. These rumours are just that; they are simply rumours.

## THE BUDGET

### DATE OF PRESENTATION

**Hon. Duff Roblin (Leader of the Government):** The next delayed answer is to a question raised in the Senate on February 7, 1985, by the Honourable Allan J. MacEachen, Leader of the Opposition, regarding the date of presentation of the budget.

*(The answer follows:)*

With regard to the honourable senator's query about the prospective date for the budget, it is still the government's intention to bring down a budget in the spring. When the precise date for the budget is established, the minister will inform Parliament, as is the customary practice.

● (1550)

## EMPLOYMENT

### NOVA SCOTIA—DECENTRALIZATION PROGRAM

**Hon. Duff Roblin (Leader of the Government):** Honourable senators, I also have a delayed answer to a question asked by Senator Graham on February 12, 1985, regarding the decentralization program as it relates to Nova Scotia.

*(The answer follows:)*

In responding to Senator Graham's earlier question regarding the cancellation of the proposed relocation of the Halifax regional office of Income Securities Program to Sydney, the Minister of National Health and Welfare indicated that the move was cancelled for two reasons.

First, the move could not be justified on the grounds of either programming or improved service to ISP recipients in Nova Scotia. Second, because of this, and together with the government's current financial position, the \$8 - \$10M cost of the program was deemed unwarranted.

For these reasons, the government has no plans to reconsider the move.