

that we have it in the immediate or medium-term future, that would be the most desirable way of doing it. We are committed to bringing on more Canadian supplies as quickly as they possibly can be brought on. I do not think the honourable senator would try to argue that any price is a fair price no matter how high that gets. It happens to be 300 per cent now of what it was when it was negotiated. Would the honourable senator make the same argument if it was 1,000 per cent or 2,000 per cent? Some reason has to apply to these things.

Senator Smith (Colchester): The price of oil has risen by more than that.

Hon. Guy Charbonneau: How do you reconcile this Mexican deal when it is known that there is a glut in oil supplies throughout the world right now, to the point where some countries are talking about curtailing their production?

Senator Olson: If the market forces are at work with this glut, presumably the price is going to come down, and no doubt we will get a better price than Senator Balfour has been talking about.

Senator Charbonneau: I am just asking why we should pay a higher price for Mexican oil when we could get it at a much lower price elsewhere.

Senator Olson: I hope the honourable senator is right. In the meantime, we have not closed the deal with Mexico, so I am not sure if the honourable senator knows what the price is going to be. Certainly if there is a lower price, or even the prospect of a lower price, by the time those negotiations are completed I am sure he can rely on the negotiators on the Canadian side to take advantage of that situation.

FOREIGN AFFAIRS

IRAN—DIPLOMATIC RELATIONS

Hon. Nathan Nurgitz: I have a question for the Leader of the Government, and perhaps the Deputy Leader of the Government could convey it to him. It is a follow-up of the matters raised last week on the Iranian crisis. In view of the continuing deterioration of matters in Iran, is the government considering severing diplomatic relations with that country, and, if so, when can that statement be expected?

Hon. Royce Frith (Deputy Leader of the Government): Honourable senators, on behalf of the Leader of the Government in the Senate, I will take that question as notice.

INDUSTRY

ASSISTANCE TO CHRYSLER CORPORATION

Hon. Guy Charbonneau: Honourable senators, I would like to address a question to the Minister of State for Economic Development. Is a final resolution of the question of government assistance to the Chrysler Corporation soon to be forthcoming?

• (2035)

Hon. H. A. Olson (Minister of State for Economic Development): Honourable senators, I think that I could say "very soon."

Senator Flynn: You only "think."

Senator Charbonneau: I have a supplementary question. In contemplating financial assistance, does the government feel it is establishing a precedent that might oblige it to assist other manufacturers, such as the Ford Corporation, which incurred domestic losses last year, or independent parts manufacturers? These parts manufacturers, as well as the Ford Corporation, are facing enormous losses this year.

Senator Olson: Honourable senators, I will not make an announcement for or on behalf of the Minister of Industry, Trade and Commerce. When he has completed negotiations with Chrysler, I would expect that he will make an announcement and give an undertaking on the matter.

Perhaps I could answer the part of the question relating to the explanation as to how the government arrived at whatever offer has been made.

[Translation]

SPEECH FROM THE THRONE

CROWN CORPORATIONS AND AGENCIES

Hon. Arthur Tremblay: Honourable senators, my question is for the government leader or, in his absence, for his deputy. Like previous questions I asked, it stems from the Speech from the Throne, a document which obviously needs to be thoroughly examined, in which one must try and extract as much substance as possible—which is not always easy.

Anyway, in the Speech from the Throne, His Excellency the Governor General informs us, and I quote:

My ministers believe that Canadians want more effective government, not necessarily less government.

And then the Speech from the Throne goes on to announce the establishment of the following bodies: first, a Petroleum Price Auditing Agency; second, an alternative energy corporation; third, a Canadian Agricultural Export Corporation; fourth, a national trading agency; fifth, a Labour Information Bureau.

In addition, we are told that the Post Office Department will be turned into a Crown corporation.

Obviously, the expression "not necessarily less government" is much stronger than would appear from the wording alone.

Here is my question:

First, does the decision to create so many new Crown corporations in the first session of the 32nd Parliament result from a study of the various existing corporations or agencies?

Second, if so, has that study proved that none of the existing corporations or agencies does not already fill the role that would be entrusted with the new bodies?

Third, does that study justify the conclusion that the new bodies or corporations will not duplicate the work of existing