

U.S.A. which would represent a sale of up to nine million tonnes of grain a year worth \$1 billion per annum.

It would appear to me that the Americans are making serious inroads into a traditional Canadian market for grain, especially wheat, and I would like to have an assurance from the minister in charge of the Wheat Board that Canadian wheat and grain producers are sharing in this increased demand for grain by China which requires a much larger supply of this important commodity.

Traditionally, Canada has always been considered a prime source of supply, and I hope that we shall be able to maintain that position. I would like to have the assurance of the minister that this is the case.

Hon. Hazen Argue (Minister of State for the Canadian Wheat Board): Honourable senators, it is true that the U.S.A. has negotiated a large sale of wheat to China, a large commitment spread over a period of some years with sales up to nine million tonnes of grain per year. It is understood that this contract is worth \$1 billion, but according to my calculation it is worth far more than \$2 billion. It is an extremely large sale, and it certainly has an impact on Canada's export sales.

I do not wish to concern myself too much with history, but many statements have been made in this chamber and in other places pointing out that Canada has suffered in connection with its exports to the Soviet Union because of an agreement reached between the former administration and the U.S. administration limiting the sales of Canadian wheat into that market. During that period of time—this is nothing new to me, as I have said—Australia exceeded Canada's sales into that market, the United States sold record quantities into that market, and only Canadian shipments into that market were curtailed. Therefore I was pleased when the Canadian government announced some months ago that in future there would be no agreed-to limits on the sale of Canadian wheat and grains into that market.

The deal that has now been announced was negotiated by Thomas Saylor, the chief negotiator for the United States Department of Agriculture. So the negotiation was undertaken at the highest possible level by the United States. It confirmed to me something that grain people have told us many, many times, namely, that we can agree, as we have agreed, to limit our sales into one market at a given time, only to have a great effort made by the United States authorities to take up some of the sales in that market—the China market, in this instance—to which Canada might have looked forward.

● (2025)

Having said that, I should say that we have an agreement with China for the sale of 10.5 million tonnes of grain over a period of three years, so that we have a very large market in China, but it is obviously a good deal less than the American share of that market. I can only say—and I am pleased to be able to say it—that the Canadian Wheat Board is following a very aggressive sales effort on its own behalf, and I hope, as the weeks and months go by—though not too many months—we will be able to announce that the Canadian Wheat Board

[Senator Buckwold.]

has also obtained some additional very large sales of grain to various markets of the world.

As far as our producers are concerned, they can rest assured that the Canadian Wheat Board today has markets for all of the wheat and all of the barley that they are likely to produce this year, and sales will be forthcoming for next year's production.

Senator Buckwold: Honourable senators, I have a supplementary question. I am a little disturbed by the answer given by the minister. It would appear to me that the minister is just a little bit concerned about whether, in fact, Canada is going to share in this expanded market, because the same news item that I presume the minister has in front of him indicates that China's needs are expected to expand to as much as 15 million tonnes next year from the current level of 10 million tonnes. Are we going to share in that growth?

It may be true that this year we have a more modest crop—which, by the way, I am sure members of the Senate will be glad to know is much better than we expected last June and early July—but if we end up with bumper crops, as we hope we will next year, are we going to find ourselves with a glut of grain and our traditional market not expanding as it should? I think we need the reassurance of the minister that this will not happen.

Senator Argue: I cannot assure the honourable senator that there will not be a bumper crop, and I cannot assure him that if there is a bumper crop there will not be some difficulty in delivering that crop to market; but I think I can assure him that the Canadian Wheat Board will be able to sell, in the course of the next number of months, all of the grain we have been able to produce in 1980. I am, furthermore, confident, in my own mind, that the Canadian Wheat Board will be able to sell all of the grain prairie producers may be able to produce in 1981. That still, I suppose, does not answer the honourable senator's question, but I believe that Canada will share in the export markets for grain around the world as they develop, and while we may be elbowed out of one market, we may be able to do some elbowing ourselves in some other markets.

Senator Flynn: In the U.S.S.R.?

Senator Argue: I think, in total, Canada will be able to export all of the grain it produces. The restrictive factor is not likely to be so much of market as of transportation, and many efforts—successful efforts—are being undertaken from day to day to solve the transportation difficulties in Canada and to improve our facilities.

[Translation]

THE CONSTITUTION DEBATE

INTERPRETATION OF SECTION 51 OF PROPOSED CONSTITUTION ACT, 1980

Hon. Arthur Tremblay: Honourable senators, my question is directed to either the Leader of the Government or the Deputy Leader of the Government. It has to do with section 51 of the proposed resolution. It is intended to get information which

will allow me to make an accurate reading of that section. The section reads:

Class 1 of section 91 and class 1 of section 92 of the Constitution Act, 1867 (formerly—

—I skip the parenthesis—

—referred to in item 21 of Schedule I of this Act and Parts III and IV of this Act are repealed.

Part III of this act establishes constitutional conferences.

If one refers to this pompous and promising title, an institution of a federative nature is apparently going to be established by the proposed resolution. But since that Part III is in fact abolished as soon as the resolution or the Constitution Act of 1980 goes into effect, am I to understand that, in the mind of the government, the constitutional conferences bringing together all the first ministers of Canada is only a transitional operation already doomed to disappear as soon as the resolution, that is the proposed Constitutional Act of 1980, is passed?

Senator Lamontagne: At the very moment our report is tabled.

Senator Asselin: You are saying your report is going to change that? That is a good one!

● (2030)

[English]

Hon. Raymond J. Perrault (Leader of the Government): The honourable senator has asked a rather detailed question with respect to sections 51 and 52. There will be a debate later on the inquiry I initiated, and if possible I would be pleased to speak to that section during the course of the debate.

Does the Leader of the Opposition share the opinion that it may be out of order to have a question of this kind advanced during Question Period?

Hon. Jacques Flynn (Leader of the Opposition): Why?

Senator Perrault: A debate is about to commence in the Senate with respect to the documents tabled here one week ago. This is a matter which I think could more properly be discussed at that time.

Senator Flynn: No. A question is not the same thing as a debate.

Senator Perrault: Honourable senators, we have a draft of a bill that is going to be dealt with by the Parliament at Westminster. The bill is not even in this chamber as yet. A motion to refer that bill to a joint committee of the Senate and the House of Commons is now being debated in the other place. The measure is not being debated in detail in any section of Parliament. Now we are asked by an honourable senator to provide a legal opinion with respect to one of the sections. Surely that is an unusual procedure. However, in saying that, may I assure honourable senators that I will be pleased to speak to sections 51 and 52 later this evening.

Senator Flynn: We don't want a speech; we want a reply.

[Translation]

Senator Tremblay: Not being as familiar as the Leader of the Government with the procedures I do not know whether I am engaging in a debate following what he just said. But my question was one of clarification, and not intended to discuss the merits of section 51.

Is it advisable to create provisionally a federative institution such as the constitutional conference of first ministers, or is it not advisable to do so? That is the essence of the debate. I simply wanted to make sure, so I could engage in the debate later on in as much an enlightened way as possible, if I was reading the section correctly. It is a question of information, it seems to me. Is it out of order to ask it now? I point out again that I am not engaging in the substance of the debate but merely asking a question of information.

[English]

Hon. Royce Frith (Deputy Leader of the Government): Honourable senators, on a point of order, I can recall this very same point being raised previously.

Senator Flynn: By whom?

Senator Frith: The point of order was raised by the leader in his answer when he implied that it was out of order. In any event, whether or not he or anyone else did, of course, it is in order for me to raise a point of order.

Senator Flynn: You can do that any time.

Senator Frith: I mention that only to put the point in context. I recall that when the Leader of the Opposition and the Deputy Leader of the Opposition were on this side they raised a point of order, which I think is a correct one, and that is that it is not in order to ask for a legal opinion during Question Period. That is my first point of order.

The second is that it is not in order to raise during Question Period something that is on the order paper and will come up later in debate, since the purpose of the Question Period is to elicit information.

Senator Flynn: Would the honourable senator repeat that so that it can be clearly understood? Do we take it that it is not in order to start a debate before another debate comes up?

Senator Olson: That is right; you cannot anticipate.

Senator Flynn: I like that argument, and I will use it later.

Senator Frith: Are you through for the moment?

Senator Flynn: Yes, sure.

Senator Frith: To reiterate, during Question Period it is not in order to ask for a legal opinion because the purpose of the Question Period is, as you told us last year, to elicit information. If you do not want me to quote the leader, I will quote *Beauchesne*.

Senator Flynn: You questioned me for over three-quarters of an hour, and I replied to every question you put to me. Most of those questions required me to give a legal opinion, and I provided whatever I thought was the proper reply.

Senator Frith: On that occasion I was asking for information as to what had taken place—if you read the record you will see that—and not for a legal opinion. However, in respect to the particular questions being asked here, first, is a legal opinion being asked for; and, second, is the subject raised during Question Period a subject that is already on the order paper and coming up later for debate? In my respectful submission, honourable senators, the answer to both of those questions is yes.

Senator Tremblay said he was simply asking for an answer to—"La question est si la lecture de la résolution est à point." In my opinion, that is clearly asking for a legal opinion, and the subject is on the order paper. Therefore, in my respectful submission, the question should not be asked during Question Period.

Senator Flynn: If you don't know, you just have to say that you don't know.

Senator Tremblay: Honourable senators, I was asking the question as an ordinary senator or perhaps as an ordinary citizen who would be reading information issued by the government. If reading a government paper requires legal advice, then, as a common citizen, I would have a real problem.

Hon. George I. Smith: Honourable senators, Senator Frith raised two points of order, and I should like just for a moment to reply to them. The first point was that it is not in order to ask questions about the content of something which notice of intention to debate has been given. I say that that cannot possibly be right. Surely if, in order to prepare oneself for the debate, one wishes to know what is meant by something that the government has tabled as an official government document, it is perfectly in order to ask what something in that paper means. If the honourable gentleman does not know the answer or for some reason is afraid to give it, then let him say he does not know or he does not want to give the answer. This is an utterly absurd position for the honourable senator to take and one which cannot be allowed to pass unnoticed. The other point was that it is not in order to ask for a legal opinion.

• (2015)

Senator Olson: Right.

Senator Smith: You know all about that. I am sure we would be delighted to hear you expound at some length your views on the legal aspect of this section. We will be glad to hear you. If the honourable gentleman could make a long speech about the legal meaning of this, I am sure the Deputy Leader of the Government and the Leader of the Government can both do the same, but if they are bringing into this house something that they want us to pass and they have not informed themselves as to its legal meaning, then they are even duller and less attentive to the business of the house and their duties than it ever occurred to me they were. After all, what do they expect? They stand there and say they don't know what it means and ask the rest of us to debate it. That is even more absurd than the first point of view.

Senator Frith: I would certainly not expect as distinguished a lawyer as my learned friend Senator Smith to accept my

[Senator Flynn.]

opinion on any of these questions. Perhaps he will not accept *Beauchesne's* either, but *Beauchesne* says, at paragraph 359 on page 132, when dealing with the Question Period:

It must be a question, not an expression of opinion.

It must not ask for an opinion. In paragraph 360 he says that it should not

... ask a solution of a legal question such as the interpretation of a statute.

Senator Smith: This is not a statute.

Senator Frith: Senator Smith said he is asking for an opinion or a statement as to what something means. In my respectful submission the questions that Senator Smith is talking about are certainly proper in debate, but according to *Beauchesne* they should be asking for information, not an interpretation as to what something means.

Senator Flynn: You said a statute. Quote correctly.

Senator Frith: Finally, in paragraph 359(12) on page 132—

Senator Smith: Quote correctly.

Senator Frith: I am—"... such as a statute." At page 132, in paragraph 359, subparagraph 12, *Beauchesne* says:

Questions should not anticipate a debate scheduled for the day, but should be reserved for the debate.

Senator Flynn: For the day.

Senator Frith: There is the quotation. It may not be as distinguished a source as either Senator Smith's or Senator Flynn's, but it is a source that is generally accepted in parliamentary procedure.

Senator Smith: I accept what it says but I don't accept what you say it says.

Senator Frith: As I said, don't take it from me; take it from *Beauchesne*.

Senator Flynn: You were not giving legal opinion.

Senator Smith: To start with, the quotation refers to a statute. We are not concerned with a statute. We are concerned with something that has not even become a bill yet; it is only a draft that the government wants people to approve.

Senator Olson: It is an order of the day.

Senator Perrault: They don't want to be confused with the facts.

Senator Flynn: You wouldn't recognize a fact if it hit you in the face.

Senator Tremblay: I take notice of a splendid lesson that I have just learned. At this stage I understand that I do not need to understand what it means, what is in there.

Senator Lamontagne: Read the rules.

Senator Flynn: You never read them yourself.

Senator Tremblay: I will wait, hoping that at some stage somebody will tell me what it means, but I ask myself whether the people will understand before we understand.

Senator Perrault: I remind honourable senators that last week, in an effort to accord an opportunity for the opposition to state freely and openly their views on this important initiative, it was proposed that we commence an inquiry debate. We wanted a debate to begin so that all senators would have an opportunity to speak. Could we get consent from the opposition? Not at all. They said, "No, no, we can't give that consent." Today they act as though somehow they are being deprived of an opportunity to speak. Apparently Senator Smith has undergone a conversion greater than St. Paul's conversion on the Road to Damascus. Can he cite one instance during his long and distinguished career as Premier of Nova Scotia where he ever made the kind of concession to the opposition that he demands of us now? If he did, let him produce the evidence in this chamber.

Senator Smith: I am not going to make a search over a long period of years to satisfy the honourable senator that he is wrong. I know inherently that he is wrong. I also know that none of the authorities cited by his deputy have anything to do with this. What his citation had to do with was asking about the meaning of a statute. I say again that no one can possibly say this is a statute. It is a piece of paper that may become nothing, which we are asked to discuss. Again I say, if the honourable senator doesn't know what it means, then he has a great deal of nerve to come here and ask the Senate to accept it.

Senator Bosa: Honourable senators, my question is for the Minister of State for Economic Development—

Senator Flynn: We are still on a point of order. Senator Perrault—I was going to say "Senator Foghorn," as he is called on the west coast. I was there last week. There is nothing insulting in that it is just amusing.

Senator Perrault: I am not insulted.

Senator Flynn: Anyway, you just gave us a perfect illustration of why they speak of you that way out there. The Leader of the Government referred to his notice of inquiry which will come later on. Last week I made some observations. I intended to raise a point of order later, when it is called, and I think that is the proper time to do it, not to discuss it in advance, as the Leader of the Government is trying to do.

Senator Perrault: I suspect that the Leader of the Opposition did not want to debate last week because his party is so totally confused on the constitutional question. Are they attempting to rally their forces and obtain a consensus? Furthermore, I presume that the Leader of the Opposition was obviously anxious to find out what the Conservative premiers were going to announce this evening. These are some of the reasons for his failure to debate last week, and he knows it.

Senator Smith: Further to the point of order, the Leader of the Government complains that he did not have the opportunity to bring forth the notice last week. Nobody objected to his giving notice of the inquiry last week. He had every right to give the notice, and if he had given notice then, as he intimated he wanted to do, but which he did not do, we could now be debating it instead of this point of order. He didn't do it, and I

might be bold enough to ask him why he didn't do it. He didn't have to ask permission to give notice. I suggest he was not really ready to give notice and he was glad to have the rest of the weekend to get ready.

Senator Perrault: Honourable senators, let's get this straight. I hope that the Leader of the Opposition meets once in a while with his members. Last week the Leader of Opposition asked that the debate be deferred until this week because he was not prepared to go ahead with the debate. It may help if the Leader of the Opposition met with some of his followers so that they could find out what he has in his mind at any given time.

Senator Smith: That is another occasion when the Leader of the Government displays his complete ignorance. I didn't say anything about whether or not the debate was to be last week, because there was no suggestion it was to be.

Senator Petten: Yes, there was.

Senator Flynn: He asked leave and leave was refused.

Senator Smith: I know, but what I said, and what the Leader of the Government did not respond to in any way whatsoever, was that he had every opportunity to give notice of the inquiry last week if he wanted to, and it would now come up, in the ordinary course of events, for debate tonight.

● (2040)

I say he did not do that, so how can he stand here and complain that the Leader of the Opposition has in any way delayed the debate? The Leader of the Government himself delayed it. He could have given notice any day last week, including the last day we sat, and he did not bother to do so.

Senator Frith: Question.

Senator Perrault: Honourable senators, the honourable senator's views are so tediously incorrect that I am not willing to perpetuate the debate and continue this discussion. It is useless, because the honourable senator does not know the facts.

Senator Smith: I know the facts very well, and I know one fact which you cannot deny, that being that you could have given notice of this inquiry on the last day we sat last week and we could now be debating it in the ordinary course of events. You cannot deny that, and that is a fact.

Hon. Reginald James Balfour: Honourable senators, on the same point of order, and without wanting to risk being tedious, might I ask whether the Leader of the Government in the Senate would care to enlarge upon his commitment to expend \$4 billion for western Canadian development?

Senator Olson: Now, wasn't that brilliant.

Senator Perrault: Well, the universe will unfold, and a great deal of western development is going to unfold. I am not prepared to go beyond that statement at the present time. I will say that the Government of Canada as presently constituted is considerably more concerned about western development than was the preceding government.

Senator Balfour: On the same point of order, are you withdrawing from the speech you made in Vancouver with respect to the expenditure of \$4 billion on western Canadian development or not?

Senator Perrault: The honourable senator obviously requires a crash course on *Beauchesne*, because he is completely out of order in asking a question of that kind. I made no such speech in the city of Vancouver.

Senator Smith: Where did you make it, then?

ENERGY

DISRUPTION OF OIL SUPPLIES FROM THE MIDDLE EAST

Hon. Peter Bosa: Honourable senators, my question is for the Minister of State for Economic Development. In light of recent news reports concerning the destruction of oil refineries and oil pipelines in the warring states of Iran and Iraq, thus curtailing the flow of oil to the West, is Canada likely to experience a shortage of oil, and if so, has the government made any provision for meeting such shortage?

Hon. H. A. Olson (Minister of State for Economic Development): Honourable senators, I shall give a more complete answer to that question tomorrow, perhaps, but there is no doubt that with an amount of oil potentially shut off—and it is difficult at this stage to make any prediction as to how long that will be the case—Canada is, of course, concerned, as are a good many other countries that receive some of their supply from that source. However, I shall answer tomorrow as to any calculation that has been made in terms of the difficulties we may face as a result of the reduction of oil supplies moving out of that area.

Senator Marshall: Newfoundland will take up the slack.

STATUS OF APPLICATION BY Q & M PIPE LINES TO CONSTRUCT A PIPELINE

Hon. Richard A. Donahoe: Honourable senators, my question is for the Minister of State for Economic Development. What is the status of the application of Q & M Pipe Lines before the National Energy Board to construct a pipeline through Quebec and maritime provinces. Have any of the considerations which caused the National Energy Board to reject the application last spring been addressed?

Hon. H. A. Olson (Minister of State for Economic Development): Honourable senators, as far as I am advised to date, approval by the National Energy Board of the application was given in a modified form, and the reasons therefor were stated at that time by the board. I do not believe that a new application has been made to the National Energy Board. However, I shall check and determine whether or not that is so.

Senator Donahoe: Is it still the government's intention to discharge its campaign commitment to secure the construction of the Q & M pipeline?

[Senator Perrault.]

Senator Olson: It is. It was, it is, and it will be the policy of this government to have the entire pipeline built.

Senator Asselin: Until the next election.

DISRUPTION OF OIL SUPPLIES FROM THE MIDDLE EAST— POSSIBLE EFFECT ON EASTERN CANADA

Hon. Richard A. Donahoe: Honourable senators, my next question for the minister is perhaps somewhat similar to the question asked by Senator Bosa, but I ask it from a different point of view.

With oil supplies to the West having declined by approximately 8 per cent as a result of the Iran-Iraq war, has the government decided to assure security of supply for Atlantic Canada, in particular, through the accumulation of strategic supplies of crude oil?

Hon. H. A. Olson (Minister of State for Economic Development): There was an answer given to a similar question asked in the other place earlier today, and perhaps I should advise the honourable senator of the reply that was given by the responsible minister. It was as follows:

I have discussed this matter with other members of the IEA, including Secretary Duncan in the U.S., and it is generally agreed that there is no possibility of such a shortage developing. Western oil reserves are quite high, and we are reassured by the fact that some OPEC members, notably Saudi Arabia, are increasing their production to offset the Iran-Iraq situation.

Senator Donahoe: I have a supplementary question. Will the minister admit, should the calculations of the International Energy Authority prove to be incorrect, and the supply fall below a certain level, that Canada would be forced to reduce its consumption by the amount of the shortfall?

Senator Olson: Honourable senators, I do not think I should at this stage try to repeat the terms and conditions that Canada agreed to with several other countries in respect of what each would try to do to help the others in the event of a shortage. Those terms and conditions are, I think, well known to my honourable friend, and Canada expects to honour whatever agreement has been made. But I am not sure that I should answer, or try to answer, hypothetical questions as to whether, in the event that the assurance that was given—and this is the opinion of a whole lot of other senior officials in the western governments—does not take care of the situation, and say what else we are going to do. Of course, we have studied that, but I have stated very positively that we do not expect a shortage to develop.

INTERNATIONAL ENERGY AUTHORITY—OIL RESERVES

Hon. Duff Roblin (Deputy Leader of the Opposition): Honourable senators, might I ask a couple of questions of the minister in respect of the oil supply situation.

Could the minister advise us whether the International Energy Authority has met since the crisis developed in the