

## DISARMAMENT

## U.S.S.R. OFFER ON REMOVAL OF NUCLEAR WEAPONS

**Hon. Donald J. Johnston (Saint-Henri—Westmount):** Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Mr. Gorbachev appears to have made one of the most significant disarmament proposals in post-war history because it deals not only with intermediate-range nuclear weapons but also short-range, and we understand tactical battlefield weapons. The U.S. has said it is going to consult with its allies.

Will the Minister tell us whether the Prime Minister has contacted the President of the United States and encouraged him to respond favourably to this Soviet initiative?

**Right Hon. Joe Clark (Secretary of State for External Affairs):** Mr. Speaker, it does indeed appear, on the basis of news reports available to us, that there has been another significant step taken. The Americans have agreed to consultations and have indeed put in place arrangements for consultations. I will be flying tonight to Brussels and meeting tomorrow morning at nine o'clock Brussels time with Secretary Shultz and other Foreign Ministers of the North Atlantic Treaty Organization.

[Translation]

**Mr. Johnston:** Mr. Speaker, I hope the Secretary of State will take this opportunity to persuade our American friends to give a positive answer.

## REQUEST GOVERNMENT ENCOURAGE PRESIDENT REAGAN TO ACCEPT DEFINITION PROPOSED BY MR. GORBACHEV

**Hon. Donald J. Johnston (Saint-Henri—Westmount):** Mr. Speaker, it seems that Mr. Gorbachev has made a new proposal about the extent of laboratory research on star wars.

Could the Secretary of State inform the House whether the Government will encourage the President to accept the definition proposed by Mr. Gorbachev?

**Right Hon. Joe Clark (Secretary of State for External Affairs):** Mr. Speaker, before either encouraging or discouraging, we would like to know the details of any proposal made by Mr. Gorbachev.

I hope that tomorrow, when I meet Mr. Schultz in Brussels, I will be able to get more details on the Soviet position and the position of the Alliance.

## Oral Questions

[English]

## FINANCE

## PROPOSED DOME PETROLEUM TAKEOVER—REQUEST FOR REFERRAL OF DECISION TO PARLIAMENT

**Mr. Simon de Jong (Regina East):** Mr. Speaker, I wish to ask the Minister of Finance some further questions regarding Dome Petroleum. I believe he implied in his answers that there has been no request by TransCanada PipeLines for either a tax ruling or tax concessions. He is telling us there is no deal and until there is such a deal the Government will not know about it. However, I wonder how TransCanada PipeLines can make an offer or arrange a deal without knowing what the tax implications are. Surely TCPL is anxious to know what the tax concessions and rulings will be.

Can the Minister tell us whether TCPL is asking for tax concessions or a tax ruling? In any event, would the Minister assure the House that a decision of that magnitude, affecting public revenues of up to \$2.4 billion, will be discussed and scrutinized by the House of Commons? It is a question of parliamentary control over tax expenditures.

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I think I answered that question previously. We do not have a specific proposal in front of us endorsed by TransCanada and Dome. There have been some statements in the newspapers today. However, until we have action from both sides there is no position that we can take. We are going to follow this closely as we have been doing. As soon as there is a specific proposal to respond to we will do so.

## INQUIRY WHETHER ADVANCE TAX RULING SOUGHT FROM REVENUE CANADA

**Mr. Simon de Jong (Regina East):** Mr. Speaker, my supplementary is directed to the Minister of National Revenue. Has his Department been asked by TCPL for an advance ruling? If so, would the Minister also keep in mind the opinion of his chief advisers and management who, in a report produced in August, 1982, stated: "It is the opinion of senior management that the focus of tax avoidance has switched from implementing schemes to obtaining departmental approval through the advance ruling process and that legislation branch is now the frontline of tax avoidance"?

**Hon. Elmer M. MacKay (Minister of National Revenue):** Mr. Speaker, certainly I will keep in mind that thought he has so ably expressed. I will also tell him, and he knows this, that it is a tradition, for good and sound reasons, and I believe the policy is well-founded, that the Department does not make any disclosure of any aspect of tax rulings, whether or not they are asked for, or any of the details surrounding them, particularly when, as the Minister of Finance pointed out, it is at such a preliminary and speculative stage.