

*Oral Questions*

**Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence):** Mr. Speaker, it is the responsibility of the Right Hon. Leader of the Opposition to reconcile the preamble to his question and the question itself.

As a former Cabinet Minister he knows that there is a process under law whereby these tax rulings are made; that they are made by the Department of National Revenue. Certainly, if he wishes to direct questions to the Minister of National Revenue, I am sure that that Minister can explain the process to him—a process which I am sure he understands—in more detail. But he knows, or should know, that there is no consideration or review of those tax rulings in any Cabinet process.

**Mr. Turner (Vancouver Quadra):** The Deputy Prime Minister is telling me that this matter was not discussed in the Priorities and Planning Committee. Yet the former Deputy Minister of Finance has said it was and that he left the room so as not to participate in the discussion.

## STATEMENT ATTRIBUTED TO FORMER DEPUTY MINISTER

**Right Hon. John N. Turner (Leader of the Opposition):** Let me direct a question to the Minister of Finance. The Prime Minister also made it clear in his press conference last Friday that neither he or any senior Minister—presumably the Minister of Finance—knew anything about that \$1 billion tax ruling.

Mr. Cohen is quoted in *The Globe and Mail* this morning as saying that the Minister of Finance relieved him of that specific situation because of a potential conflict of interest and that the Minister of Finance dealt with it, to use Mr. Cohen's words, on a "hands-on, day in day out" basis.

My question for the Minister of Finance is: Didn't he deal with that particular tax ruling? Didn't he instruct the Minister of National Revenue, after a Priorities and Planning Committee decision, that that was part of the Gulf assets purchase?

**An Hon. Member:** Come on!

**Mr. Turner (Vancouver Quadra):** What is the real story here? Don't be funny about this, because I can tell you that this is a very serious matter.

**Some Hon. Members:** Hear, hear!

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I would ask the Right Hon. Leader of the Opposition to read the article very carefully. Mr. Cohen was talking about the Gulf-O&Y deal. The matter of the acquisition of Gulf Canada by O&Y was discussed, and was discussed at some length because of the importance of that deal.

## REQUEST FOR COMMITTEE REVIEW

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, we have been stonewalled by the Prime Minister and the Minister of Finance for weeks. I am going to put a

question, within the rules, to the Chairman of the Finance Committee, the Hon. Member for Mississauga South.

I want to ask the Chairman of the Finance Committee whether he would agree to convene that committee for the purpose of reviewing this whole matter of the Gulf Canada acquisition by O&Y and call before that committee all the participants in the deal. Those participants can then produce their own tax rulings. It would not go against the Income Tax Act. They could produce their respective rulings. The committee could then call before it the Minister of Finance, the Minister of National Revenue, the Minister of Energy, Mines and Resources, and the Prime Minister.

Would he do that?

**Some Hon. Members:** Hear, hear!

**An Hon. Member:** And don't look to Mike for the answer.

**Mr. Speaker:** I have a little difficulty with the question. The Right Hon. Leader of the Opposition knows that questions to committee chairmen are supposed to be about matters before the committee.

**An Hon. Member:** Oh, come on!

**Mr. Speaker:** Questions are supposed to be about matters that are before the committee. That is the limit.

I suggest, in the circumstances, that the Right Hon. Leader of the Opposition may wish to rephrase his question.

**Mr. Turner (Vancouver Quadra):** I have made my point to the chairman of that committee. He knows what he can do.

● (1420)

**Hon. Ray Hnatyshyn (President of the Privy Council):** Mr. Speaker, the Right Hon. Member will know that the matter has been answered more than adequately by the Minister of Finance and the Deputy Prime Minister.

We in this Government have gone overboard to make sure that parliamentarians have a full opportunity to debate important and real issues, not the phony issues the Leader of the Opposition is raising with respect to this deal.

## ROLE OF ASSISTANT DEPUTY MINISTER

**Hon. Donald J. Johnston (Saint-Henri-Westmount):** Mr. Speaker, in light of Mr. Cohen's revelations, I did not think that the Minister of Finance would stonewall us. In response to what the Minister just said, Mr. Cohen has said that the Minister was advised that the Gulf takeover was handled by the Minister of Finance and David Weyman, the Assistant Deputy Minister responsible for tax policy. Is the Minister telling us that the Assistant Deputy Minister responsible for tax policy was not concerned with a tax ruling made by the Government of Canada?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, if there was any tax ruling, that tax ruling was handled by the