

*Routine Proceedings***GOVERNMENT ORDERS***[English]***WAYS AND MEANS****INCOME TAX ACT**

Hon. Doug Lewis (for Minister of Finance) moved that a Ways and Means motion to amend the Income Tax Act, laid upon the table on Monday, November 6, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed

Some Hon. Members: On division.

Motion agreed to.

Mr. Speaker: Pursuant to the arrangement made earlier today, not by way of order but by agreement we will revert to Statements by Ministers and call upon the Right Hon. the Prime Minister.

ROUTINE PROCEEDINGS*[English]***EXTERNAL AFFAIRS****STATEMENT BY PRIME MINISTER ON VISIT TO U.S.S.R.**

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I rise today to report to the House on my visit last week to the Soviet Union where I held extensive discussions with President Gorbachev and Prime Minister Ryzhkov. I also had very useful meetings with a number of important leaders, both government and party, in Kiev and Leningrad. The Secretary of State for External Affairs also held lengthy and constructive meetings with Mr. Shevardnadze.

I want to express my personal gratitude to the leadership and the people of the Soviet Union for the warmth and kindness they extended to all members of the Canadian delegation.

Some Hon. Members: Hear, hear!

Mr. Mulroney: This was the first official visit to the Soviet Union by a Canadian Prime Minister in 18 years. In fact this is somewhat misleading because contact between our two nations has in recent years become quite sustained and productive. In 1983, when Mr. Gorbachev was responsible for agriculture, he made his first ever official visit to the west to Canada where he remained for some 10 days on an extensive national tour and of which he speaks with great affection and joy for the people that he met and the personal experiences that he enjoyed.

I visited Moscow less than six months after becoming Prime Minister in March 1985 for the funeral of former General Secretary Chernenko, during which I met with Mr. Gorbachev, then the new Soviet leader.

This high-level contact was followed by the Secretary of State for External Affairs' visit to the U.S.S.R. in April 1985 and Mr. Shevardnadze's return trip to Canada in 1986, and by periodic meetings between the two since, including in New York in September and in Moscow last week.

The minister responsible for the Wheat Board visited the Soviet Union in 1987 to promote the interests of Canadian grains and oilseed producers who have maintained huge sales to the Soviet Union over many years.

The Deputy Prime Minister and Minister of Agriculture made an important visit to the Soviet Union earlier this year where he attended the third meeting of the Mixed Agricultural Commission since 1985. Former Agriculture Minister John Wise represented Canada at the 1985 and 1987 meetings.

The contacts between the Soviet Union and Canada on an ongoing basis were productive and, as I have indicated, sustained.

My visit to the Soviet Union came at a most critical juncture, at a time of powerful change in that country and of cascading reform throughout eastern Europe. As President Gorbachev said in our meeting: "Our times are changing so fast, are so dynamic that without good personal contacts among leaders it is impossible to build a good relationship". I fully subscribe to that view.

[Translation]

The discussions we had were both frank and very far-reaching. We talked about the economic and political