

Oral Questions

aspect with respect to the port of Prince Rupert had been looked at by the federal Ministry of the Environment. But again, I take notice of the question and will look into it further to see if more can be done.

Mr. Oberle: Every time I talk to the minister about this he seems to be referring to the port of Prince Rupert. I am talking about the big hole being dug in central British Columbia, in which the government is directly involved. Will the minister be as aggressive as he was during the development of this project with federal funding and participation, by insisting that federal jurisdictions are met with respect to environmental, ecological concerns and socioeconomic concerns, keeping in mind that the government of British Columbia has not seen fit to participate in the pipeline hearings? If the province does not proceed with the public hearing, would the minister use his good offices to insist that be one of the conditions which would assure continued federal co-operation in this project?

● (1450)

Mr. Pepin: Madam Speaker, it may be that one of my difficulties is that I am acquainted with the constitutional issues in this country. The responsibility for that "big hole" in terms of the environment is a provincial one. If I keep referring to the port of Prince Rupert, it is because that port is a federal responsibility, and one might make the case that not enough attention is being given to the environment. But, as I say, that "big hole" comes under provincial jurisdiction.

Mr. Crosbie: It is about time you spoke up, Jean-Luc.

Mr. Clark: Tell us about the Pepin-Robarts report.

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CORPORATE AFFAIRS**PRICING PRACTICES OF OIL COMPANIES—GOVERNMENT ACTION TO COLLECT TAXES**

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question for the Minister of National Revenue is with regard to a topic that I suspect has become a major concern to all Canadians, namely, the high price of petroleum products and those who benefit from high prices.

Given that the combines report on competition demonstrates that high transfer prices between the multinational parent companies and their Canadian subsidiaries cost Canadians an extra \$3.2 billion between 1958 and 1970, and that Sun Oil has stated it was "ahead as long as the Canadian tax authorities recognize these high prices fully as costs despite their basic unreality"; and given that Sun Oil's report concludes that such practices are continuing, what action does the minister plan to take to stop this obvious tax dodge by the company?

Hon. William Rompkey (Minister of National Revenue): Madam Speaker, my department is presently reviewing the report. I do not have a full and complete report, but if it shows

that there were practices which were not legal under the law, then certainly we will be taking action.

Mr. Riis: Madam Speaker, the report states that the Department of National Revenue already has the power to insist on arm's length prices in dealings between parent companies and their subsidiaries. Revenue Canada apparently has been duped in the past. Most likely on a continuing basis Canadian subsidiaries are paying artificially high prices to their parent companies, writing these off as costs. Will the government now re-assess the taxes of these corporations to recover the billions of dollars lost to the federal treasury?

Mr. Rompkey: Madam Speaker, we do assessments on a regular basis on a number of industries across the country in keeping with our resources.

Mr. Crosbie: Leave the fishermen alone.

Mr. Rompkey: This is an ongoing practice. In this particular case we are doing a specific review in light of the report, and if we need to take any action, we certainly will.

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*[Translation]***CANADIAN BROADCASTING CORPORATION****REQUEST FOR EARLY SETTLEMENT OF JOURNALISTS' STRIKE**

Mr. Robert Gourd (Argenteuil-Papineau): Madam Speaker, my question is for the Minister of Labour. Following the announcement of an election in Quebec last week, the strike by CBC French-speaking reporters is becoming even more significant. Can the minister tell the House whether he and the CBC intend this situation to stagnate or whether they intend to provide six million Quebecers with the news reports they are entitled to?

Hon. Gerald Regan (Minister of Labour): Madam Speaker, this strike has very serious implications because of the election in Quebec. The mediator of Labour Canada, Mr. Guy De Merlis, met with the parties involved last weekend. The CBC has made a new major offer to the union, which the latter is now considering.

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*[English]***TRADE****ACCESS TO UNITED STATES MARKET—DISCUSSIONS ON AUTO PACT**

Mr. John Thomson (Calgary South): Madam Speaker, my question is for the Minister of State for Trade. In view of the increasing tendency toward protectionism in the United States and the adverse effect this will have on the promotion of export trade with our most important trading partner, did the minister press his cabinet colleagues to obtain a commitment