

## DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. C. William Doody (Deputy Leader of the Government):** Honourable senators, I have delayed answers to three questions.

### WEST GERMANY AND EAST GERMANY

#### GOVERNMENT POLICY ON UNIFICATION

**Hon. C. William Doody (Deputy Leader of the Government):** Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 21 last by the Honourable Senator MacEachen respecting West Germany and East Germany—Government Policy on Unification.

*(The answer follows:)*

FRG authorities have repeatedly affirmed that unity means the two Germanies, no more, no less. Canada has no reason to doubt this. But we recognize that some countries continue to harbour security interests and concerns which require further guarantees.

The Honourable Leader of the Opposition asked how the security interests of the Soviet Union on the issue of the borders of Germany would be addressed.

One way to address this issue would be to employ the agreement reached in Ottawa during the Open Skies Conference that suggests the principle parties meet to discuss their concerns. It's referred to as the "Two plus four" mechanism.

The first meeting of representatives from the Federal Republic of Germany, the German Democratic Republic, the Soviet Union, the United Kingdom, the United States and France will be in Bonn on March 14.

The Soviet Union may wish to use this mechanism to address important external aspects of the German question, such as the question of Germany's eastern borders.

### WEST GERMANY AND EAST GERMANY

#### GOVERNMENT POLICY ON UNIFICATION

**Hon. C. William Doody (Deputy Leader of the Government):** Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 21 last by the Honourable Senator Grafstein respecting West Germany and East Germany—Government Policy on Unification.

*(The answer follows:)*

The perceived ambiguity in the debate on the question of Germany's borders with Poland in recent weeks has clearly caused concerns among some of Germany's neighbours. For this reason, Canada has been encouraging clarity and finality on this question in our consultations with interested parties.

Canada's position on the border question stems from our interest in maintaining peace and stability in Europe. It also stems from our commitment to the principles of the 1975 Helsinki Final Act of the CSCE (the latest

internationally agreed framework for addressing such questions).

As recently as last Friday, the Prime Minister, speaking in Toronto, welcomed the adoption in Bonn of a resolution which recognizes Poland's western frontier as inviolable and emphasized that the border issue will be settled in a treaty of reconciliation between a United Germany and Poland. We understand that an identical resolution will be taken up by the new GDR Parliament shortly after March 18 elections.

This is an important step forward in meeting Poland's present concerns. We applaud chancellor Kohl for this development.

## PAY EQUITY

### INCOME TAX IMPLICATIONS FOR HOSPITAL WORKERS

**Hon. C. William Doody (Deputy Leader of the Government):** Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 20 last by the Honourable Senator Marsden respecting Pay Equity—Income Tax Implications for Hospital Workers.

*(The answer follows:)*

Under the Income Tax Act an individual is based on income received in the year. There is no provision in the Act to allow the averaging of retroactive pay increases over a number of taxation years in order to reduce the overall income tax liability.

Prior to 1988 there was a mechanism in the Income Tax Act which permitted taxpayers to forward average income under certain conditions. However as part of Bill C-139 on tax reform, forward averaging provisions were eliminated for 1988 and subsequent years as a consequence of the lowering of tax rate and moving to fewer tax brackets.

With respect to the hospital workers, the income tax impact will be dependent upon each individual's circumstances. No arrangements have been made by the Department of Finance to permit these individuals to average this income over two or more taxation years or to provide them with any other relief.

## REPUBLIC OF LITHUANIA

### DECLARATION OF INDEPENDENCE—NOTICE OF MOTION

Leave having been given to revert to Notices of Motions:

**Hon. Stanley Haidasz:** Honourable senators, I give notice that tomorrow I will move, seconded by Senator Guay:

That the Senate of Canada convey its congratulations to the Supreme Council of the Republic of Lithuania for its patriotism and courage on March 11, 1990, expressing unanimously the will of the nation, and solemnly pro-