

become a party to it and I believe the Province of Quebec did as well. I think the problem lies not with the federal Government but with the Government of Manitoba in this respect.

● (1425)

REQUEST THAT GOVERNMENT SEEK AGREEMENT WITH  
MANITOBA

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, in 1985 the Minister responsible for the Canadian Wheat Board indicated to the Province of Manitoba that as a condition of agreement there would be a sugar policy announced and that the federal Government would cover debts going beyond 1987. Neither of those commitments have been met or been offered.

Unless an agreement is made within this week, the sugar-beet industry of Manitoba will be wiped out. Would it not be appropriate for the Government to take the initiative with the Government of Manitoba to see if some agreement could be found before those dire consequences are met and a \$90 million industry is wiped out in a very important western province?

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, I know the Hon. Member would share the view that the Minister in charge of the Canadian Wheat Board, who has taken a leadership role in this area, is always interested in resolving an issue of this serious magnitude.

I repeat that on the basis of my information there has been an attempt to negotiate a deal with the Manitoba Government. Given the Hon. Member's representation, I will speak to the Minister in charge of the Canadian Wheat Board again. I want to assure him as well that an offer was placed on the table and, for some reason, the Manitoba Government refused to become party to an arrangement that was agreed to by other provinces.

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FINANCE

DOMESTIC PETROLEUM TAKEOVER—REQUEST FOR ADVANCE TAX  
RULING

**Mr. Simon de Jong (Regina East):** Mr. Speaker, my question is directed to the Minister of Finance. Dome Petroleum has charged that a takeover by TransCanada PipeLines would lead to a loss of hundreds of millions of dollars of tax revenue. This is likely true of any takeover since Dome had a loss of some \$2 billion last year, a loss that can be carried forward for seven years. According to one study, it also has tax credits of some \$2.4 billion.

Press reports indicate that TransCanada PipeLines has asked for an advance tax ruling. Will the Minister confirm

that Dome's losses are transferable and will cost Canadian taxpayers a billion dollars or more?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, at this point I am not in a position to comment on that question. The specific offer by TransCanada is just in the course of being made. We do not have the details of all the elements of the proposal. Once they are made available we will be able to determine what the position of the federal Government should be in connection with that particular aspect of the proposal.

TAX REMISSION ORDER—REQUEST FOR REPORT TO  
PARLIAMENT

**Mr. Simon de Jong (Regina East):** Mr. Speaker, when the Minister's Government carried through the Liberal Government's decision to give Dome Petroleum a \$1 billion tax remission in February, 1985, the Auditor General commented: "There is something very wrong with a system that allows a \$1 billion policy decision to be made by way of a tax expenditure with Parliament having so little information on the transaction". Given the staggering scale of Dome's unused tax losses and deductions, and given the Auditor General's comments regarding the Dome tax remission order, will the Government bring all the details of the tax implications of any takeover before Parliament?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, as I indicated in my previous answer, when the information is available to us I will be in a better position to respond to the question. These matters are of some urgency when there is a takeover offer on the table, so I am not sure I would be able to fulfil the requirement the Hon. Member has put to me. However, we will review the position that TransCanada puts before us if a tax ruling is involved, and will make the decisions known according to the rules set out in the Income Tax Act.

**Mr. de Jong:** Mr. Speaker, we understand that in certain situations there might be some urgency. I give the Minister our assurance that we will help facilitate in any way possible the Government's introduction of any proposed package so that at least Parliament can have an opportunity to pursue a matter that will potentially cost taxpayers billions of dollars.

● (1430)

POSSIBILITY OF FOREIGN TAKEOVER

**Mr. Simon de Jong (Regina East):** My final supplementary question again concerns Dome. There is no question that Dome remains one of the major energy players in this country. Apparently, foreign offers are being considered by Dome and a green light to a foreign takeover has been given by the Government. In view of the strategic importance of the Dome reserves and in view of the massive taxpayer subsidies paid to Dome in the past, will the Government give its assurance that the company will remain in Canadian hands?