

Oral Questions

allegation, whether charges are contemplated, and what generally is the department doing to plug this loophole?

Hon. Jack Cullen (Minister of National Revenue): Mr. Speaker, the figures cited by the hon. member are impressive, but once again I must plead the confidentiality of any investigation that we may be conducting. It seems to me to be appropriate, if we are conducting an investigation, that if an individual is found to be innocent the matter should not be reported. If it turns out that the individual is guilty, then that should become public information and it seems to me that that is the time to make a public disclosure.

Mr. Oberle: A supplementary question, Mr. Speaker. Since it is reported that most of these firms have been allowed to make voluntary disclosures of their attempted fraud, can the minister advise the House whether the investigation to which he makes reference was underway before the voluntary disclosures were accepted by the tax department, or was the investigation launched after the disclosures were made?

Mr. Cullen: First and foremost, Mr. Speaker, I did not say there was an investigation; the hon. member suggested that there was an investigation taking place. I should make it quite clear that no one is permitted to make a voluntary disclosure or to abide by our rules under that heading if it comes about as the result of an investigation that is being conducted. So, if we initiate an investigation, no one is afterwards permitted to make a voluntary disclosure. I might say that that is comparatively new. There was a court case in which the department was reprimanded for not taking this action and we do take that action nowadays. If it comes about as the result of our investigations, no voluntary disclosure is permitted.

Mr. Oberle: A final supplementary question, Mr. Speaker. Would the minister please tell the House whether there is or is not an investigation into this alleged massive tax fraud, which is obviously a contravention of every rule of the tax department?

Mr. Speaker: Order, please. That is precisely the question that the minister answered in the first instance.

Mr. Oberle: No, Mr. Speaker, he did not.

Mr. Speaker: The hon. member for Edmonton West.

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EXTERNAL AFFAIRS**REASON FOR RESTRICTION ON TRAVEL TO FOUR COUNTRIES ON MEMBERS' PASSPORTS**

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Secretary of State for External Affairs. Last week I asked him a question about restrictions that had been imposed without notice either before or after passports has been issued to members of parliament, and possibly to others, in respect of certain countries. The minister said that he would look into the matter and give an explanation if possible.

[Mr. Oberle.]

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I have looked into the matter and it is true that the practice has been established of indicating in special and diplomatic passports that these passports are not valid for entry into four countries. These are countries which at the present time Canada does not recognize. It is not a new practice; it was applied, for example, in the case of East Germany which at that time Canada did not recognize.

I believe that the holders of both diplomatic passports and special passports usually hold these passports because they are on public business or because they hold a special position and expect, in accordance with international practice, to receive better than normal treatment at the hands of the host government. Since these passports constitute a signal to the host government which might be construed as a form of recognition, this particular insertion is placed in the passport. Obviously it is not my intention to restrict the travel of members to any country they may wish to visit, of course, with an ordinary passport. That is the explanation for the practice.

Mr. Lambert (Edmonton West): Mr. Speaker, may I ask the minister why this is now done surreptitiously without notice either before the passports are called in, allegedly for endorsement that a member is part of an official delegation, or following, and why this endorsement is put in somewhere at some page without any indication given afterwards? The minister did not even know this when I asked him the question last week! In addition, would the minister give an explanation in regard to the case of Taiwan which, when this government cravenly and in a bootlicking way decided to kowtow to Mainland China, altered the status, and members on the government side and on the opposition side—

Some hon. Members: Question.

Mr. Lambert (Edmonton West): Members on the government side and on the opposition side have received no special consideration. This has been the case since the time the government decided to withdraw recognition of the very well established government in Taiwan. Why is this being done now and what is the rationale, or is this just some special kowtowing that is going on?

Mr. MacEachen: No, Mr. Speaker, it is not special kowtowing; it is the result of the circumstances which I have already explained. This is a policy that applies to others, not only to Taiwan, a country we do not recognize. We do not have a two-China policy and that has been a well established element of Canadian foreign policy. We cannot attempt to provide recognition to Taiwan indirectly which we withdrew formally in extending recognition to China. That is the basis of the policy, and it applies as well to Rhodesia and Namibia. It is based upon a precedent that has already been established. I am sympathetic to any point of view the hon. member may wish to make in respect of members of parliament whose mobility and rights I have no intention of disrupting or impeding in any way, consistent—

An. hon. Member: You have.