

*Inquiries of the Ministry***INDUSTRY****AUTOMOBILES—REQUEST FOR REDUCTION IN EXCISE TAX TO STIMULATE SALES**

Mr. Mark Rose (Fraser Valley West): My question is for the Minister of Industry, Trade and Commerce. In view of the example set earlier by the government in reducing the 15 per cent excise tax on electrical appliances and before that on drug prices, is the minister recommending a reduction or abolition of the present 12 per cent sales tax on domestically produced automobiles in order to lower prices and stimulate local sales?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I am sure that the Minister of Finance will be informed of this question, Mr. Speaker.

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LABOUR CONDITIONS**LAY-OFFS BY GENERAL MOTORS—INQUIRY AS TO NOTICE OF SITUATION AT OSHAWA PRIOR TO IMPOSITION OF UNITED STATES SURCHARGE**

Mr. H. W. Danforth (Kent-Essex): I should like to direct a supplementary question to the Minister of Industry, Trade and Commerce who has indicated that there was some advance notice given by General Motors of these lay-offs. I should like to ask specifically, was advance notice given to the government on the lay-off at Oshawa and can the minister indicate whether such notice was given before the imposition of the surcharge by the United States because of the tax implications involved?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I think I have already answered that question, Mr. Speaker. There was advance notice to my department of the possible lay-offs at St. Thérèse, but there was none with respect to the added 1300 to whom we referred this morning.

Mr. Danforth: A supplementary. Was this notice given prior to the advent of the Nixon surcharge or after?

Mr. Pepin: The notice about Ste. Thérèse was certainly prior to the surcharge. I would think, Mr. Speaker, wanting to be fair to the company, that the difficulties to which I referred in connection with the full size automobiles is something that has been known by the market and by the companies for a number of months. This is not something new with us.

Mr. Bell: Years.

LAY-OFFS BY GENERAL MOTORS—POSSIBLE ESTABLISHMENT OF PLANTS IN CANADA BY FOREIGN MANUFACTURERS

Mr. Doug Rowland (Selkirk): A supplementary to the Minister of Industry, Trade and Commerce. In light of the fact that these lay-offs have been attributed in some part to the effect of imported automobiles on the market, has the minister taken steps to encourage Japanese, British, Italian and German manufacturers of automobiles to

establish assembly plants in Canada in a like manner to those of certain French and Swedish manufacturers?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): There are already some assembly facilities in Canada owned by a Japanese group, the CMI and there is a full fledged operation of Swedish origin in Canada, the Volvo. These are the realities of the moment. I have personally brought to the attention of one foreign company that there are possibilities in Canada, but you cannot force companies to come and establish plants unless they have an advantage in doing so.

Mr. Speaker: Order, please. It may be the sense of the House that perhaps the Chair might allow a last supplementary and then return to this subject later. The hon. member for Hamilton West might resume his seat for the moment. If he has a point of order I will hear him, of course. It is my thought that, unless hon. members think we should spend another five or ten minutes on this subject, in fairness to other hon. members who have been trying to ask their questions we might give them the opportunity to do so and return to this important matter. For the moment, I shall recognize the hon. member for Oshawa-Whitby on a supplementary.

LAY-OFFS BY GENERAL MOTORS AT ST. THÉRÈSE—ACTION BY GOVERNMENT FOLLOWING NOTICE

Mr. Edward Broadbent (Oshawa-Whitby): A supplementary question to the Minister of Industry, Trade and Commerce. The minister has indicated that he has known about the lay-offs at Ste. Thérèse for some time and, to my knowledge, that time amounts to about three months. Can the minister inform the House what the government has done in that three month period concerning the announced lay-offs in the province of Quebec?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): We have known about the possibilities of the lay-offs, Mr. Speaker. If I was not too precise, I apologize. The company was hoping there would be a pick-up in the market which would help them and make these possible lay-offs unnecessary.

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IMMIGRATION**ILLEGAL ENTRY OF RUSSIAN SAILOR—REQUEST FOR STATEMENT ON STATUS**

Mr. Len Marchand (Kamloops-Cariboo): I have a question for the Minister of Manpower and Immigration. I wonder if the minister can bring the House up to date on the case of Mr. Serge Kourdakov. I am particularly interested in finding out the status of this gentleman's request to stay in Canada.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the government is employing the order in council power which is provided under the Immigration Act to overcome the various technical impediments to Mr. Kourdakov's admission to Canada. He is apparently otherwise eligible in accordance with our regulations for