

ment. As decisions are taken they will be announced to the House.

EXPORT OF PARTS TO EUROPEAN AND JAPANESE CAR MANUFACTURERS

**Mr. Bill Kempling (Burlington):** Madam Speaker, in the absence of the Minister of Industry, Trade and Commerce I will direct my question to the acting minister. The minister has had discussions with his American counterpart on the auto pact and he will know that 70 per cent of the auto parts manufacturers in Canada are American subsidiaries which build to order for their U.S. parents. Did the minister discuss how these subsidiaries could become involved in the export of parts to European and Japanese auto manufacturers? Can he tell us whether the subsidiaries will be pursuing export orders directly into the European and Japanese markets?

[Translation]

**Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)):** Madam Speaker, the hon. member knows that it has always been the policy of the government, every time a foreign company starts a subsidiary in Canada, to try to convince foreign investors to develop in Canada a new product for the world market. The same philosophy applies to the auto parts industry but, as I said in reply to the hon. member who spoke before him, I cannot disclose in detail the talks that went on in Washington since I was not involved in them. However, I would gladly convey the hon. member's question to the Minister for Industry, Trade and Commerce.

[English]

DISCUSSIONS WITH EUROPEAN AND JAPANESE MANUFACTURERS

**Mr. Bill Kempling (Burlington):** Madam Speaker, my supplementary question is for the same minister. The minister knows that many American auto parts manufacturers in Canada have no Canadian domestic or export sales force and carry out all export functions through their U.S. head office. What discussions has the minister had with the Japanese and European manufacturers regarding the sourcing of auto parts in Canada for their world production? Can he tell us how he would separate U.S. and Canadian parts production under such circumstances?

[Translation]

**Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)):** Madam Speaker, I would be happy to inquire of my colleague about this very important issue. My colleague or myself could then report back to the hon. member.

[English]

Oral Questions

INCOME TAX

TREATMENT OF FISHERMEN BY DEPARTMENTAL AUDITORS

**Mr. Edward Broadbent (Oshawa):** Madam Speaker, my question is for the Minister of National Revenue. As he knows, his officials have singled out Canadian fishermen, who are among the most lowly paid in the country, for auditing this year for tax purposes. Could the minister tell us why fishermen were singled out instead of such highly paid groups as doctors, lawyers, and dentists, whose incomes are well in excess of \$45,000 a year? While he is answering that question, could he tell the House why his officials are using what can only be described as bully boy tactics on the fishermen in the process of performing this audit?

**Hon. William Rompkey (Minister of National Revenue):** Madam Speaker, first, it is not fair to say that only fishermen are being singled out. The fishing industry is being audited, as are other industries. For example, the pharmaceutical industry is being audited this year as well. We have a limited audit capacity and we try to spread that audit capacity as fairly as we can among the industries where we see the need. That is the first point.

● (1425)

The second point I want to make is that it is because of the policies of this government, and particularly of the Minister of Fisheries and Oceans, that the fishermen's incomes are now up to the point where they are self-supporting individuals in this country. I would like to make that point to the hon. member.

**Mr. Broadbent:** Yes, the fishermen's incomes may be up, but they are about one fifth or one sixth of what doctors, lawyers and other high paid groups earn.

**Mr. Crosbie:** Politicians!

**An hon. Member:** NDP party leaders!

TACTICS USED BY AUDITORS

**Mr. Edward Broadbent (Oshawa):** I would like to deal specifically with harassing tactics. No one wants preferential treatment for the fishermen any more than any other group, but one wants some fairness. Considering such tactics as the following are being used—threats to seize assets, inconsistent application of tax rules among fishermen, and arbitrary pay-back demands which have been forcing many fishermen to decide they have to go out of the fishing business entirely—will the minister assure the House that he will have his officials investigate these abuses and put an end to them?

**Hon. William Rompkey (Minister of National Revenue):** Madam Speaker, I want to give that assurance. I do not intend to tolerate harassment where I find it. I thoroughly agree with the hon. member that there should be equity and fairness in the application of the law. Fishermen are no different, in that sense, than any other people in this country. I intend to see