

*Oral Questions*

Affairs. Before the United States concluded a free trade agreement with Israel, it required that all unfair trade practice laws between the two countries would remain in effect.

Since the Gibbons Bill obviously aimed at the Canadian lumber export industry has now passed the subcommittee stage in the U.S. House, why is the American Government stalling with the required 60 days' notice to Congress before trade negotiations can begin, while protectionist measures snowball against Canada?

**Right Hon. Joe Clark (Secretary of State for External Affairs):** Mr. Speaker, there is no stalling by the United States administration. A very clear commitment on the part of the United States administration was given by the President to the Prime Minister at Québec that if there is a major assault upon Canadian interests, as would be the case with the lumber question, there will be a veto.

## CANADIAN POSITION

**Mr. Jim Manly (Cowichan-Malahat-The Islands):** Mr. Speaker, the Minister knows that if there is a two-thirds majority the presidential veto can be overridden.

Why is our Government refusing to lay out firm preconditions for trade negotiations while the United States proceeds with actions that will cripple our exports before negotiations even begin?

**Right Hon. Joe Clark (Secretary of State for External Affairs):** Mr. Speaker, the Hon. Member will know, if he wants to be true to the truth, that the passage of the Gibbons Bill yesterday was by a much smaller majority than had been expected, and is not veto proof, to respond to the question raised by the Hon. Member.

The question on lumber imports was raised personally last night by the Prime Minister with President Reagan. I will be discussing the question again with Secretary Schultz on Monday when we meet in Calgary. We intend to take every action that is open to us to protect the Canadian lumber industry. One of the reasons we want to take a look at the possibility of a trading arrangement with the United States is precisely to protect the security and the jobs of those 60,000 Canadians in the lumber industry whose jobs are threatened now because the present system does not work well enough.

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## NATIONAL REVENUE

## NEWFOUNDLAND FISHERMEN—COLLECTION OF BACK TAXES

**Mr. Brian Tobin (Humber-Port au Port-St. Barbe):** Mr. Speaker, the fishery industry is in big trouble because we have a Minister who is Acting Minister of everything and master of nothing.

● (1130)

The Government recognized the disastrous condition of the Newfoundland fishery a few weeks ago by participating in a \$105 million bail-out of the biggest company in that business in Newfoundland, Fishery Products International. This morning the Minister of National Revenue introduced a brand new, completely different approach to fishermen.

I ask the Minister of National Revenue, rather than the Master of Nothing, why is it that the Government of Canada instituted a policy today to lift the ceiling on the collection of back taxes from fishermen through the garnishee of wages, above the reasonable, human, and sensitive 25 per cent established by the previous administration? How can it do that at a time when the Government has to put 105 million bucks into saving that company?

**Hon. Elmer M. MacKay (Minister of National Revenue):** Mr. Speaker, I am delighted that my hon. friend opposite gives me an opportunity to dispel a very erroneous impression which apparently has been created in the media and in other sources. He knows, as do all other Newfoundland MPs who were extensively consulted, as were the union and other interested persons in his province, that this action, this administrative change by the Department of National Revenue, was designed to promote equity and the ability to pay rather than emphasize the concept of garnishee.

**Mr. Deputy Speaker:** Supplementary question.

**Mr. Tobin:** Mr. Speaker, the Minister ought to know that the two individuals who consulted Newfoundland MPs did not really consult us; they came and told us, and we told them that they were crazy. One is retiring from the Newfoundland Civil Service this month, and the other is retiring from the federal Public Service in a few weeks. They have sense enough to run from a disastrous, insensitive, stupid policy—

**Mr. Deputy Speaker:** May I ask the Hon. Member to ask his question, please?

**Mr. Tobin:** In light of the disaster which we have had this year, in light of the fact that the Minister of Employment and Immigration has no help for fishermen this year, in light of the fact that that company requires \$105 million, where—

**Some Hon. Members:** Order, order!

**Mr. Deputy Speaker:** The Hon. Member for Churchill.

**Mr. Tobin:** They are only the fishermen of Newfoundland!

## ABILITY TO PAY TAXES

**Mr. Rod Murphy (Churchill):** Mr. Speaker, my question is also directed to the Minister of National Revenue. How can he claim that they have the ability to pay when he will be taking over 25 per cent of the income of some of those fishing families? How can they possibly have the ability to pay?