

*Oral Questions*

that the law is applied with fairness. With regard to an arbitrary pay-back, we do try to come to an accommodation with the individual, depending on his ability to pay. In that way there is a certain amount of arbitrariness, in the sense that it is based on the ability of the individual to pay off what is owing. But generally speaking, the law must be applied with fairness and equity, and I intend to see that that is done.

**Mr. Crosbie:** Fascist tactics!

REQUEST FOR AUDIT OF HIGH INCOME NON TAXPAYING  
INDIVIDUALS

**Mr. Edward Broadbent (Oshawa):** I am pleased to see that the minister will stop the harassment, but he has just referred to fairness and equity. The average fisherman's income is in the neighbourhood of \$12,000. Considering that in Canada today there are more than 2,000 Canadians whose incomes are in excess of \$50,000 a year who pay not one penny in income tax, will the minister undertake to audit their returns?

**Some hon. Members:** Hear, hear!

**Hon. William Rompkey (Minister of National Revenue):** Madam Speaker, it is important to note that the industry is being audited, and there is not simply an audit of fishermen. There is an audit of the industry, and the companies are being audited as well. However, I do give the undertaking, as I did before, that the law certainly must be applied with fairness and equity, and we do not intend to single out those in the low income brackets.

TIMING OF AUDIT

**Hon. James A. McGrath (St. John's East):** Madam Speaker, I would like to ask the Minister of National Revenue if he can tell the House whether he consulted with his colleague, the Minister of Fisheries and Oceans, before he approved that audit in the late spring of last year? Furthermore, can he tell the House why he authorized the audit to take place in the fishing industry and the 35,000 fishermen of eastern Canada at a time when they had just come through a bad year of bad markets and low returns?

**Hon. William Rompkey (Minister of National Revenue):** Madam Speaker, the planning for this audit was begun under the previous administration and was in motion at the time that I took office.

**Some hon. Members:** Oh, oh!

**Mr. Bossy:** St. Stephens strikes back!

**Mr. Rompkey:** I am not saying that the thing was fully in gear by the time I took office, but certainly the groundwork for it was laid and the planning was done, and it was ready to go when I took office.

**Mr. Baker (Nepean-Carleton):** No, it wasn't. No, sir.

**Mr. Rompkey:** I want to make the point again that there is no singling out of industries except in the sense that the audit capacity is limited, and we do try to apply it to various industries in any one year. I appreciate the point the hon. member makes with regard to the seasonality and the unpredictability of the fishing industry.

AUDIT OF FACILITIES USED BY FISHERMEN

**Hon. James A. McGrath (St. John's East):** The minister can try to squirm out of it all he wants, but in fact he authorized the audit after he became Minister of National Revenue.

**Mr. Baker (Nepean-Carleton):** That's right!

**Some hon. Members:** Hear, hear!

**Mr. McGrath:** He did so against the advice of his colleague, the Minister of Fisheries and Oceans. If the minister is going to conduct an audit of fishermen's incomes, is he prepared to recommend to his cabinet colleagues that they also conduct an audit of the facilities that fishermen have to use, which are the responsibility of this government, and which have fallen behind because of repeated cutbacks in the budget of his government? Is he prepared to do that?

● (1430)

**Hon. William Rompkey (Minister of National Revenue):** Madam speaker, with regard to cutbacks, it was the previous administration that took about \$10 million of the small craft harbours program. That is the reason facilities are in the state they are today. As soon as this administration took office it added \$10 million or \$11 million to the small craft harbours program—

**Mr. Clark:** All in Westmorland-Kent.

**Mr. Rompkey:** —to bring those facilities up to standard. Those are the facts and they are on record. With regard to the individual situation of fishermen, my officials have been instructed to ascertain exactly what can be claimed as far as exemptions are concerned for premises and fishing property.

TRADITIONAL BUSINESS METHODS IN FISHING INDUSTRY

**Hon. James A. McGrath (St. John's East):** Madam Speaker, because serious charges of intimidation by officials have been coming in from fishermen, especially in Prince Edward Island and Newfoundland, is the minister prepared to issue instructions to his officials that they should take into account the traditional way of doing business in the fishing industry, where a man's word is still his bond? They should take that into account.

**Hon. William Rompkey (Minister of National Revenue):** I agree on the point that there have been traditional ways of doing things in the fishing industry. Indeed, in the case of receipts, for example, I have given instructions that where