Oral Questions

Canadians want a full and fair consultation process, not a process whereby only those with special influence or ties to the Conservative Government have access to the Minister. The Minister should acknowledge his grave error and should meet with the President of the Canadian Shipbuilding and Ship Repairing Association to come up with a suitable policy for this sector.

## **ORAL QUESTION PERIOD**

[English]

## REVENUE CANADA

DISAPPEARANCE OF TAX RECORDS—MINISTERIAL RESPONSIBILITY

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is for the Minister of National Revenue. When the Prime Minister was Leader of the Opposition he said:

Effective and proper conduct of the affairs of the Department of National Revenue is based on two-way trust. That is indispensable.

Yesterday the Minister destroyed that trust by refusing to accept responsibility for the disappearance of the microfiche tax records of 16 million Canadians.

Some Hon. Members: Oh, oh!

Mr. Gray (Windsor West): This is the biggest invasion of privacy in Canadian history and perhaps in world history. Why is the Minister evading responsibility for this invasion of privacy? Why is he evading responsibility for this bad management of his Department's affairs?

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, I am not seeking to evade responsibility; neither am I seeking to minimize the gravity of what has occurred. I have undertaken to the House, and will undertake again to my hon. friend, to take steps to try to make certain that the Department is more secure in the future and that there will be security procedures which will make the situation less likely to occur again. I have undertaken to do this and to report to the House as soon as possible.

[Translation]

CONFIDENTIALITY OF INCOME TAX RETURNS—GOVERNMENT POSITION

Hon. Herb Gray (Windsor West): Mr. Speaker, for two weeks, the Minister has been aware of the greatest invasion of privacy in Canada's history. What steps did he take during those two weeks to keep the information contained in the microfiche from being used to obtain details of the income tax returns of Canadians, and can he guarantee in the House today that the information provided by Canadians in their income tax returns is fully protected? Can he answer this important question?

[English]

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, first I think my hon. friend would realize that while the investigation was going on it was difficult to inform the House and the country of what had occurred. Second, I immediately asked my Deputy to exercise his responsibilities under the Financial Administration Act to account for the delay in the reporting of this loss.

We have sent directives across the country to ensure that the microfiche which are a necessary part of tax administration are in secure custody, that all of the necessary security procedures are in fact in place and that they may be improved upon. I have asked that the necessity for so many sets of microfiche be reviewed. I have asked that security procedures, not only as far as the custody of the material is concerned but as far as the suitability of personnel is concerned, be reviewed as well. There will be other measures taken in due course.

**a** (1420)

## POSSIBLE USE MADE OF MISSING INFORMATION

Hon. Herb Gray (Windsor West): Mr. Speaker, I have listened to what the Minister said. I recall that he said yesterday "there is no likelihood that the information provided an entrée into the computer system of taxpayers, there are safeguards in place to protect that."

Will the Minister confirm that even today, two weeks after he found out about this mess, it is possible to obtain information from the tax returns of taxpayers by simply phoning a Revenue Canada district taxation office and giving the type of basic information to the person who answers the phone that was found in the missing microfiches? Will he confirm that in spite of what he has just told us it is possible to use the information from those missing microfiches to obtain information about the confidential tax returns of Canadian taxpayers?

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, I do not know exactly to what circumstances my honourable friend is referring. What I have tried to say to Canadians and to this House is that one can never be sure in individual cases that there might not be a lapse in security. But to say that the information that was made available on this type of microfiche would automatically provide an entrée, or that telephone inquiries to a Revenue Canada office under these circumstances would produce information, I do not think is in accordance with what usually occurs.

## INQUIRY CONCERNING PROTECTIVE MEASURES

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): At my request this morning a woman telephoned the Revenue Canada office in Montreal. She gave my name, my social insurance number, my address, my date of birth. She was able to get into my 1985 income tax return.