

*Statements by Ministers*

I am receiving signals, Mr. Speaker, from my House Leaders. I understand that the Minister of National Revenue (Mr. MacKay) now wishes to make a statement and have the other Members respond. I would agree to interrupt my speech for a few moments, so that the Minister can make his statement.

**The Acting Speaker (Mr. Paproski):** Do I have unanimous consent to revert to Statements by Ministers?

**Some Hon. Members:** Agreed.

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## ROUTINE PROCEEDINGS

[English]

### NATIONAL REVENUE

#### LOSS OF MICROFICHE RECORDS FROM TORONTO DISTRICT OFFICE—STATEMENT BY MINISTER

**Hon. Elmer M. MacKay (Minister of National Revenue):** Thank you, Mr. Speaker. I wish to thank my colleagues for the courtesy that they have afforded me.

I wish to inform the House that at 3.30 this afternoon my colleague, the Solicitor General (Mr. Kelleher), informed me that the RCMP had recovered a package of microfiche at or around two o'clock this afternoon. The Commissioner of the RCMP has informed me that he is satisfied that this material is indeed the missing microfiche which was removed from the offices of Revenue Canada on the evening of October 30, 1986.

The RCMP are continuing their investigation. As Members of the House understand, it would not be proper for either myself or the Solicitor General to comment further on this matter until the investigation is complete.

However, I do want to assure Members that the investigation will continue in respect of the motivation for the removal of the microfiche, whether the information it contained was put to any use whatsoever, and whether the microfiche was duplicated in whole or in part while outside the control of Revenue Canada.

While I am sure the House is as pleased as I am at this fortunate turn of events, this in no way lessens the concerns I expressed to the House a few hours ago over the lapse in security that allowed this loss to take place.

Again I wish to assure the House that the investigations which I have asked the RCMP to conduct into the security of microfiche data held by Revenue Canada, and into this particular incident specifically, will be expedited. I will report back to the House as soon as possible.

**Mr. Alfonso Gagliano (Saint-Léonard—Anjou):** Today really is an exciting day. This morning we found out that we

had lost 16 million tax filers' data had been lost or stolen. I thank the Minister for bringing the information to the attention of the House, but the fact remains that 16 million taxpayers' files were missing or stolen. Even though they have been found 17 days later, there is no guarantee that the information contained in those files or microfiche was not used or copied.

● (1710)

We will definitely await the result of the investigation. However, I urge the Minister to keep on top of the investigation because the integrity of the tax system, as I said earlier, is in jeopardy. We should not enjoy what has happened; it is really a sad day.

[Translation]

Our taxation system is based on the voluntary filing of returns by all Canadians, and if the confidentiality of these returns is no longer respected, obviously Canadians will start thinking twice about filing their income tax returns. I hope an inquiry will prove we can have a more secure system in the future, and that the Minister will report back to the House as soon as possible.

[English]

**Mr. Simon de Jong (Regina East):** Mr. Speaker, I join with my colleagues in expressing the sentiment that it has been quite a day. One comes to the office in the morning and expects to do one's normal duties, but then one is hit with the fact that 16 million names and social security numbers are missing from the Revenue Canada office in Toronto.

We can all give a sigh of relief. Canadians can go to bed tonight feeling a little more secure in that the drama has ended. The microfiches have been recovered. However, as the Minister indicated, we do not know whether improper use was made of the microfiches or whether they were copied. Hopefully we will obtain those answers in a short period of time.

The situation indicates that there was an opportunity for individuals to take the documents. There is an obvious lapse of security but, as one of my colleagues indicated, it is good to know that the RCMP always gets its microfiche.

I assure the Minister that we will co-operate in any way we can to help devise a more secure system so that the confidentiality and privacy of Canadian taxpayers will be maintained. I am sure every Hon. Member of the House will co-operate in that effort so that our tax system is a secure and fair one.

**The Acting Speaker (Mr. Paproski):** I wish to inform the House that because of the ministerial statement, this day's sitting will be extended by six minutes. Therefore, the adjournment debate will begin at 6.06 p.m.