

believe that knowledge is one of the problems that Canadians are facing today.

● (1150)

I know the Hon. Member is aware of the example of two well known corporations in this country, Shell Canada and the Bank of Montreal, which pay no federal income tax at all. Everyone is aware of the profits that each of these major corporations has made and I believe it is very clear that average Canadians become disturbed and wish to find ways and means of avoiding the taxation system, not because they are dishonest or dishonourable people but they know they are being asked to pay an unfair burden of today's federal taxes.

As a result of all of this we are driving a great deal of the Canadian economy underground. Some estimate that there is an underground economy of approximately \$15 billion as a result of Canadians doing whatever is necessary to avoid the prying eyes of National Revenue. This type of approach to our economy is unhealthy, not in our best interests and is being perpetuated by National Revenue in its present policies.

Mr. Beatty: Mr. Speaker, I have a simple question for the Hon. Member. At the outset of his remarks he stated that there has been a deep concern on the part of his New Democratic Party colleagues with respect to abuses by the Department of National Revenue. He will know that in the past two months no issue has been more prominent and no question has been asked more often in Question Period than those related to National Revenue. Literally scores of questions have been asked. Why has the NDP not asked any of those questions?

Mr. Riis: Mr. Speaker, the point I was trying to make, obviously not very successfully with the Hon. Member, is that we in the NDP have been standing in our places for years pointing out very carefully the injustices in our tax system. When points have been raised about Canadian corporations and individuals not paying a single penny in income tax, has there been one Progressive Conservative rise in his or her place to make that same point? Never! When we in this particular Party stood in our places in an attempt to point out time and time again the injustices of the taxation system as it applies to the Canadian banking system, did a single Progressive Conservative Member ever stand in his or her place to raise that issue? Never.

To answer the Member's question directly, when it came to the matter of National Revenue coming down on many of our constituents—in my own case I can recall in excess of 45 or 50 cases—I and my colleagues have intervened on their behalf with the Department of National Revenue. I am pleased to say that on many of those occasions when a re-examination inevitably took place, the matter was rectified. Based on my own experience of intervening on behalf of many of my constituents, I can say that this has been the case.

We felt that the matter had received public airing both by members of the Opposition, by the national media and other individuals in the country, that the point had been made amply

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clear and that not rising in our places was not saying that members of the NDP had not been fighting on their own for individual Canadians across the country on this particular issue. I am pleased to say that, because of our interventions on behalf of our constituents, we have been successful in most cases.

Mr. Fisher: Mr. Speaker, I listened with some interest to the Hon. Member's comments. I congratulate him on how he expressed his views. We have heard them before, and if some of the Tories have not perhaps they should come into the House more often.

My question to the Hon. Member concerns the example he gave about ranchers who got into difficulty. I hope he will ask his colleague who will discuss artists to deal with this problem as well. When we set up the cash system for farmers and ranchers, we set up a very attractive tax system for people to take advantage of. That exception draws in people. In turn that requires Revenue Canada to use extraordinary methods to determine whether people are following the system properly or abusing it, since it is so attractive. We have heard from farm groups who say that it is attractive and ask that we be careful that it is not abused since they want it to continue in the future. We have had that advice.

With respect to the example of the rancher who had to derive outside income, what advice would the Hon. Member give the Government in order to avoid precisely that difficulty which the rancher experienced? I ask this question seriously because I believe that farmers right across Canada have had real trouble with declining income and high interest rates and have had to go off their farms to make extra income. We need guidance from sincere members like himself who have experience in this area and who might have a few ideas. We do not want to abuse the system but we must make sure that some unhappy taxpayers do not abuse it as well. I look for some advice from the member.

Mr. Riis: Very briefly, I want to agree with one of the points raised by the Hon. Member. That is the difficulty placed on the legitimate food producer today by those individuals who are using the provisions of the tax system to their advantage at the expense of the legitimate rancher. It is disturbing to me to drive through certain valleys in my constituency and meet legitimate cattle ranchers who are struggling to raise beef while next door there is a hobby rancher who is raising the same kind of cattle and essentially attempting to lose money. It is that kind of difficulty which I appreciate.

I believe that if one looks carefully at the books of a legitimate cattle producer and has some sensitivity as to what is involved in that particular endeavour, there is no question at all who is legitimate and who is illegitimate when it comes to a particular business and using the tax system to the appropriate end. All I am saying—and I have heard this from members of the Official Opposition as well—is that the tax system should be more sensitive.

The Acting Speaker (Mr. Guilbault): Order. Debate.