

Adjournment Debate

NATIONAL REVENUE—MOVEMENT OF TAX RECORDS FROM HAMILTON TO SUDBURY. COMPLAINT CONCERNING RECORDED MESSAGES

Mr. Bill Kempling (Burlington): Mr. Speaker, my question to the Minister of National Revenue (Mr. Bussières) on November 26 regarding National Revenue records involves a very serious matter. At that time I questioned the Minister about irate calls which I receive in my office from taxpayers in Hamilton and area who find that it takes a long time to get their records from Sudbury to the Hamilton area where they can be looked at. It is more serious than usual because of the precarious position of our economy. Most people who have a tax problem owe the Tax Department money. If they do not have the cash and they have a cash problem, the cost of borrowing money to pay the tax is very high.

● (2210)

Several professional people involved in the taxation process, such as tax consultants, lawyers, auditors and individual taxpayers have contacted my office to complain about the length of time it takes to get tax records from Sudbury.

It seems several months ago, I believe it was last January, that tax records formerly held in Hamilton were moved to Sudbury along with those of four other taxation centres. Apparently a total of nine taxation centres will eventually shift their records to Sudbury. The common complaint is that when contact is made with the taxation office to discuss an appeal or an assessment that has been made on an individual taxpayer, the person making contact is told that it will take a minimum of six weeks to get the records from Sudbury.

In several instances National Revenue has taken action to collect taxes and has threatened court action or garnishee of wages. Because so many payrolls are processed on a computer, and many times small companies hire outside sources, an employer has a serious problem if garnishee notice is presented. Many employers will tell an employee unofficially that if he or she has a garnishee placed against his or her wages it could cost the individual his or her job. There is double jeopardy involved here.

In many instances the claim by National Revenue for taxes is challenged by a taxpayer. National Revenue will say, "Pay the amount owing now and we'll talk about it later." But the taxpayer, in most cases, has a cash problem and also feels it is unfair to pay taxes if he or she has a reasonable case that may be adjudicated. Time becomes a problem. National Revenue will threaten to garnishee within 30 days if the tax is not paid. The taxpayer calls National Revenue to make his case and is told it will take at least six weeks to get his records from Sudbury. On the one side of the coin, a person is told that he will have his wages garnisheed in 30 days, and on the other side of the coin he is told he cannot get his records for six weeks.

The Minister is asking me to advise my constituent to be patient, that big brother is working on the problem and that through the magic of modern technology some day we will be able to have an adequate service on a television screen. That

was the essence of his reply. I am not against progress in the handling of paper if it will provide faster, better and more economical service. However, the taxpayer is the one who should be served; that must be the objective.

Since I raised the question in the House, I have received more calls from people reconfirming that my allegation is valid. One woman called yesterday to say that her employer had received a registered mail notice to garnishee her wages. When she called the tax department to enquire, they informed her they had advised her of this action. Now the Post Office is involved. The lady stated she had never received the notice, or any communication from National Revenue. Her problem was similar to many others. She had submitted tax receipts with her return and she believes they had been lost. One person told me of sending three sets of receipts, that is, the original and two sets of copies, and those issuing the receipts said they would not accommodate her further if she could not get this sort of thing straightened out. But the constituent, whose employer received the garnishee notice, was fortunate. She was able to discuss the problem with her employer, and she has been able to keep her job.

The income tax form is so complicated that it invites problems. Even the multi-coloured tax guide and instruction courses do not help much. The difficulty of the tax form is a source of many problems. The Minister, in his reply, states that I could call his office and his staff would answer my questions. He went on to say that the files could be in another remote location many miles distant and the same service could be provided as if the original file was there, all through the magic of electronics.

● (2215)

The bottom line is that people are complaining in such numbers that I believe there is a problem. I did not invent the problem. I am trying to find a solution to their problem. The Minister, rather than looking into the matter, first advises me to tell my constituents to be patient and then delivers a homily on the miracle of modern electronics. The problem is still there. I want to know what the Minister will do beyond making pious comments.

Mr. Garnet M. Bloomfield (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the decision to create taxation centres for the massive routine operations of the Department was taken in 1975 by this Government as part of the over-all decentralization program. It has gone very well and we now have eight centres operating in the country. We have retained the traditional 28 district offices across Canada. The district offices are still where they have always been, and continue to be responsible for dealing directly with taxpayers on the kinds of questions about which the Members' constituents appear to have been concerned. The centres were created in order to produce greater efficiency in the handling of the many millions of transactions that are necessary to administer the income tax system. Another objective was to spread federal employment more widely.