

concessions the Tax Act provides for certain upper income earners, get the impression that it is an unfair system. The owners of those small business enterprises who file their tax returns are well aware that Shell Oil and the Royal Bank of Canada, just to name two large corporations within the Canadian context, and international corporations in their scope of involvement, pay no income tax at all in some years, not a single cent. When Shell Oil does not pay any income tax and when the Royal Bank of Canada does not pay any income tax in a certain year, we know who is paying more than they should be paying, and that is the small business sector and the ordinary working Canadian. This is something which has worked its way into this system so that people now feel it is time to be a little less than honest. As a result, much of the economy of Canada, something in the neighbourhood of \$30 billion and \$50 billion each year, is driven underground and no taxes, of course, are paid on those transactions. The barter system is taken advantage of or cash is used instead of cheques so there is no record of the transaction. This just gets worse every year and the result, of course, is that the taxes which ought to be flowing into the federal Government's coffers from sales tax, personal tax and corporate tax, simply are not there. That is one of the reasons we have a large and growing deficit. It is because the tax flow simply is not there any longer. Part of the reason that tax flow is not there is because people have lost faith in the system. They have lost any faith that the Government is interested in a fair and equitable tax system and I would challenge anyone, particularly those from the Government benches, to stand and tell us our tax system in this country treats all Canadians and all types of businesses fairly. I do not believe anyone can make that claim any longer.

● (1810)

There is a positive aspect to Bill C-72, and it is a refreshing change. Over the years, I recall whenever we were dealing with a number of very technical amendments, the Liberal administration would always include them with controversial legislation. They would bring in technical amendments with some very controversial aspects in an attempt to bury the controversial tax amendments in amongst all sorts of technical rather minor bookkeeping changes. It would take a lot of ferreting to find out exactly what was going on. To give the Government credit when it is due, I would say, having gone carefully through 150 items in Bill C-72, that I found they are by and large an attempt to clarify various issues and update practices which have been in place for some time. It is a new approach, Mr. Speaker, and I do hope we see this on an ongoing basis in the years in which we are forced to have a Conservative Government.

There is one aspect of this Bill which I would like to point out as being of particular importance to the taxpayer. That is the change in the statutory provisions regarding the payment of those taxes which are in dispute. In the past, when a taxpayer wanted to dispute the tax assessment made against him or her by Revenue Canada, they first had to pay the taxes allegedly owing to the Government of Canada and only then could they begin proceedings in the Tax Court of Canada to

have a judicial reassessment. We are told and there is adequate information to believe that this practice has been discontinued. I think that is appropriate. Now Revenue Canada will await the outcome of the judicial proceedings before requesting payment of tax owing.

This is a welcome reform. I am sure all Hon. Members have been urged to work toward its implementation. Many of us are only too familiar with those constituents from our own ridings, or from elsewhere in the country, who have been before the courts and have had to pay up in some cases vast sums of money, particularly in the corporate and small business sector, only to find that Revenue Canada has made an error and there might have been \$2,000, \$20,000, \$50,000 taken out of the accounts of those small businesses which the Government held over a period of time. No longer will this be the case, Mr. Speaker, and it is a welcome reform. We welcome this change of heart. Bill C-72 will simply implement into law what is now being practised by Revenue Canada.

On the other hand, Mr. Speaker, without getting too excited about accolades or recognition of positive changes, I think there is a bit of a myth in the land that now things have changed in terms of the attitude of Revenue Canada toward the taxpayer, that there is a change in practice in terms of dealing with the taxpayer. We on this side are still receiving too many letters and representations, too many briefs, too many telexes and communications from people who are still being harassed by officers of Revenue Canada. I do not know if Hon. Members opposite are receiving the same types of communication, but people are still concerned about the attitude of Revenue Canada toward the hard-pressed Canadian taxpayer. It is out there still, if I can use the term, using "jack-boot" tactics on innocent taxpayers.

Let us recognize, Mr. Speaker, that while there might have been some progress made toward an attitudinal change in some parts of the country with some Revenue Canada officers, it has certainly not been universal. There are still serious attitudinal problems and practices in terms of how Revenue Canada is behaving these days.

We have an understanding that we are going to deal with this Bill today. This is basically a technical Bill. As I said, there is nothing particularly controversial. However, there are many things which still have to be done in terms of improving the tax system, for example, the quarterly income tax payment system for seniors who now have to pay in the first quarter tax on bonds and so on, when they do not really receive the money until the end of the year. That is blatantly unfair and it punishes unfairly vast numbers of senior citizens in this country.

**Mr. Blaikie:** They are taxed on money they don't have.

**Mr. Riis:** As my colleague, the Hon. Member for Winnipeg-Birds Hill indicates, they are taxed on money they do not have.

**Mr. Blaikie:** The Conservatives promised to do something about it.